COMMONWEALTH OF VIRGINIA

Virginia Enterprise Application Program

FM09 Time and Attendance, Labor Distribution, and Leave

Modified Financial Management (FM) and Performance Budgeting (PB) Future State Business Process Best Practice Environment Definition Document

Revision History

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1. Introduction

This Deliverable documents the collection, analysis, and definition of the high level business process functions and functional requirements of the *Financial Management – Time and Attendance, Labor Distribution, and Leave (TALL)* business area within the Virginia Enterprise Application Program (VEAP). This Deliverable focuses on the business processes and functional requirements identified by the VEAP to satisfy the needs of the Commonwealth's stakeholders and the target users. This document includes the purpose, scope, business reengineering opportunities, process threads, requirements, definitions, and references of this future state environment definition. The Future State Environment Definition Documents provide a critical foundation for the Financial Management and Performance Budgeting solutions as they are the basis for the fit-gap analysis as well as implementation activities including software design and configuration, testing, procedures documentation, training, business process reengineering, and organization design.

1.1 VEAP Background

The Virginia Enterprise Applications Program (VEAP) Vision

- ***Provide the Commonwealth with best practice business processes supported by a suite of commercial-off-the-shelf (COTS) enterprise solutions – consistent with Virginia's position as a Best Managed state and a financial and technology leader.***
- ***Transform administrative operations by consolidating and modernizing the service delivery models and supporting applications for the Commonwealth's Financial Management, Human Resources Management, Administrative Management, and Supply Chain Management resulting in superior resource management and improved performance.***

Through the Commonwealth's Public Private Educational Facilities and Infrastructure Act (PPEA) of 2002, which brings private sector innovation and investment to state government projects, the Commonwealth has undertaken an initiative to identify areas of the Commonwealth's operations that could be significantly improved by undertaking an enterprise-wide reengineering and resolutioning of business processes common across the Executive Branch of government. The Virginia Enterprise Application Program (VEAP) is one such effort, as part of the initiative, undertaken by the Commonwealth.

The VEAP is a seven year program to consolidate and modernize the business processes and enterprise applications of the Commonwealth of Virginia (COVA). The initiative will enhance efficiency, increase productivity, and provide more effective delivery of services. The Program's scope includes Financial Management; Human Resources Management; Administrative Management; and Supply Chain Management. It is important to remember that VEAP is not just a project to replace old systems with newer technology. The Program also is intended to focus on opportunities to reengineer business practices and to achieve efficiencies whenever possible.

The implementation will be accomplished over a multi-year period and will be managed through phased rollouts. Phase I of the VEAP will result in an integrated, fully-functional Financial Management and Performance Budgeting solution and related business processes. The targeted implementation dates are June 2008 for Performance Budgeting and June 2009 for Financial Management.

Many Commonwealth agencies conduct their business processes - such as accounting, payroll, budgeting, personnel management, and travel - through repetitive systems, leading to inefficiencies, excessive manual input, and duplication. For example, only eleven percent (11%) of financial transactions made by COVA agencies originates in the Commonwealth's central accounting system, with many agencies using systems that they have acquired or developed in-house over time to suit their specific needs. This has led to fractured processes, multiple systems, time-consuming reconciliation of data, and reduced central oversight. Many of these systems are old, obsolete, and inflexible and have too few staff in both the public and private sectors with the know-how to operate and service them. This limited knowledge base presents a risk to the Commonwealth's administrative operations.

1.2 VEAP Future Phases

In Phase II, the Phase I out-of-scope agencies will become users of the Time and Attendance component of the ERP solution. Phase III includes the replacement of PMIS and CIPPS with the implementation of a statewide HR/payroll solution that includes one integrated system of record for employee data. Having Phase I and Phase II agencies using the ERP as well as implementing a fully integrated enterprise HR/payroll solution in Phase III will amplify the benefits gained from the implementation of a TALL solution.

1.3 VEAP Phase I Scope

During Phase I, the Commonwealth Accounting and Reporting System (CARS) and the budget development (PROBUD) system will be replaced and a new statewide Chart of Accounts will be implemented.

The agencies that will be affected by the Phase 1 implementation are:

- all agencies that currently utilize CARS as their primary accounting system (enter information on-line to CARS) will use the new solution, and
- agencies that currently interface data to CARS will interface to the new solution.

The agencies that will be affected by implementation of the Performance Budgeting solution are:

- all agencies that currently use PROBUD.

Four additional agency legacy financial management systems will be replaced as part of Phase I (Department of General Services, Virginia Employment Commission, Virginia Information Technologies Agency and Virginia Department of Transportation). All other Executive branch, non-higher education agencies that have their own legacy financial management system will be implemented in a future phase of the VEAP.

The Phase I Planning activity is the process of completing the general design and implementation plan for these two solutions. As stated previously, Phase I of VEAP includes Enterprise Financial Management and Performance Budgeting solutions. Future State Environment Definition Documents have been drafted for each of the following business areas:

- General Accounting,
- Cost Accounting,
- Fixed Assets,
- Accounts Payable,
- Accounts Receivable,
- Purchasing,
- Performance Budgeting, and
- Time and Attendance, Labor Distribution, and Leave Accounting.

The following agencies were invited to participate in the Workshop Session reviews of the *Future State Environment Definition Document - Financial Management – TALL* to corroborate and provide input to the proposed business process threads:

- Attorney General and Department of Law (OAG),
- Department of Accounts (DOA),
- Department of Aviation (DOAV),
- Department of Corrections/Central Administration (DOC/CA),
- Department of Emergency Management (DEM),
- Department of Forestry (DOF),
- Department of General Services (DGS),
- Department of Human Resource Management (DHRM),
- Department of Transportation (VDOT),
- Division of Capitol Police (DCP),
- State Council of Higher Education for Virginia (SCHEV),
- Virginia Employment Commission (VEC),
- Virginia Information Technologies Agency (VITA),
- Virginia Museum of Fine Arts (VMFA),
- Virginia School for the Deaf and Blind at Staunton (VSDBS), and
- Virginia Workers' Compensation Commission (VWC).

1.4 Future State Business Process / Best Practice Environment Definition Documents

Completing the Future State Business Process / Best Practice Environment Definition Documents is one of the primary tasks of Phase I Planning. Defining the Future State means addressing and analyzing the best practice business processes, change impacts, organizational design, and functional requirements for each business area. During this effort, CGI and the Commonwealth of Virginia (COVA) will:

- analyze current business processes – review and update business process descriptions documented in the Draft Financial Management (FM) and Performance Budgeting (PB) Future State Business Process / Best Practice Environment Definition Documents,
- identify business process reengineering opportunities,
- define the Future State Environment – document how business processes should be executed with the new enterprise solution, using best practice in conjunction with Commonwealth specific requirements,
- identify any organizational impacts that should be considered with the new enterprise solution,
- validate the functional requirements documented in the Draft Financial Management (FM) and Performance Budgeting (PB) Future State Business Process / Best Practice Environment Definition Documents,
- add necessary requirements,
- remove unnecessary requirements,
- prioritize requirements by business impact,
- identify the organizational impact of the requirements (enterprise-wide vs. agency-specific), and
- finalize the list of functional requirements.

The Final FM &PB Future State Business Process / Best Practice Environment Definition Documents will be used to drive the Fit/Gap Analysis, create several sections of the Final General Design and Implementation Plan deliverable, and develop cost estimates. The document will also be used in subsequent phases of VEAP such as during detailed design and testing. For example, the functional requirements will eventually be further divided into detailed system/technical requirements and used to create test cases/scripts; the defined process threads will drive the execution of business process reengineering efforts during implementation and support the development of training materials.

1.5 Purpose

The Future State Environment Definition Document describes the needs, stakeholders, legal and process reforms, process threads, and functional requirements that should be available in a *Financial Management – TALL* business process solution. This document identifies the activities associated with the *Financial Management – TALL* business process threads for the Commonwealth, as well as the stakeholders and users associated with such processes. In addition, this document describes high level business processes along with the functional requirements associated with these business processes. All functional requirements are marked with a priority of (1) Mandatory, (2) Desirable or (3) Optional and are identified as Enterprise or agency-specific where necessary.

1.6 Scope

This particular future state environment document defines the process threads associated with the following business processes:

- Configuration Management,
- Time and Attendance Profile Definition and Scheduling,
- Employee Leave Administration and Management,
- Time Capture and Timekeeping Rules, and
- Labor Distribution.

1.7 Document Outline

The remainder of the document contains the following sections:

Section 2 – Positioning. This section briefly describes the business problems inherent in the current environment and the opportunities for implementation of the Enterprise Resource Planning (ERP) solution.

Section 3 – Stakeholder and User Descriptions. This section identifies the Commonwealth and outside organizations that have a significant stake in the process and the success of the project. The on-going roles and responsibilities are described for the Stakeholders and Users along with their organizations.

Section 4 – Key Product Requirements. This section introduces the future state environment by identifying the three to six overarching business concepts that will be provided by the ERP solution to address major weaknesses in the current environment.

Section 5 – Process Thread Summary. This section documents the specific characteristics of the future state environment. The major business processes are defined within each business area, the key steps in each process, and the specific system capabilities required to support the function in a manner that permits the Commonwealth to meet mandates in an efficient manner.

Section 6 – Process Thread Detail Description. This section describes how each business process thread defined in the previous section is performed in the ERP solution. Each process is described in flowchart and tabular format and each process detail step is numbered sequentially within each process thread.

Section 7 – Data Flow Details. This section details the flows of data both in and out of the business process. The graphics contained in this section identify the impacts to existing systems and processes as they relate to each agency in the Commonwealth.

Section 8 – References. This section contains the sources of information used as references to the business process. The terms used in the document along with the definitions of those terms are also included in this section.

2. Positioning

This section of the Future State Environment Definition Document describes the overall business opportunity for the *Financial Management – TALL* business process. In addition, this section describes some of the high level changes that need to occur, states the current problems in the existing environment, and identifies the potential benefits that could be achieved through the ERP solution.

2.1 Business Opportunity

The VEAP Team strongly believes that a comprehensive solution to the Commonwealth's business concerns involves much more than simply installing new technology. Rather, a complete solution is the integration of technology, process, people, and approach in a manner that recognizes the unique aspects of the current situation and the future. The solution we envision for VEAP in the area of financial and operational accounting considers all these elements.

The Commonwealth currently relies on numerous systems, applications, and processes to support the *Financial Management – TALL* business process. The recommended ERP solution would include the following elements:

- a modern, public sector-oriented, integrated Financial System as the core of the new architecture. At a minimum, this commercially available application would replace CARS and a significant percentage of the function-specific modules that have been developed by many agencies to address CARS deficiencies,
- a service delivery organizational structure that recognizes the wide range of differences among the various Commonwealth agencies and provides the flexibility for each agency to execute business processes in the manner and with a staffing structure that best meets its needs, and
- a phased implementation approach that gives the Commonwealth the opportunity to carefully control costs and risks, and to make implementation and rollout decisions based upon both project performance and other future conditions.

2.1.1 Systems

Time collection and labor distribution activities are tightly integrated with financial management, human resource, and payroll processes. The Commonwealth's current financial management system, CARS, is administered by DOA. Many agencies are direct users of CARS, while others, for the most part those with their own financial management systems, have interfaces to CARS. Human resource and payroll processes in the Commonwealth are currently supported primarily by two separate central systems, the Personnel Management Information System (PMIS) and the Commonwealth Integrated Personnel and Payroll System (CIPPS). PMIS (and its subsystems, such as the Benefit Eligibility System (BES)) is a personnel management system used for processing and managing personnel, compensation, and health benefits data administered by the Department of Human Resource Management (DHRM). CIPPS is the statewide payroll system and is administered by DOA. PMIS and CIPPS are not fully integrated. As a result, agencies perform some duplicate data entry into the two systems and complete after-the-fact reconciliations. DHRM and DOA have developed processes and tools for the interchange of some data between PMIS and CIPPS; however, not all processes are fully integrated. Recently DOA and DHRM worked together to eliminate the use of social security numbers as the employee identifier in CIPPS. Now, the employee identifier that has always been maintained in PMIS is also being used as the employee identifier in CIPPS. As a result, any new hires must first be established in PMIS (in order to obtain a PMIS employee identifier) before they can be entered in CIPPS. Where before hourly new hires were not established in PMIS, now at a minimum shell records are created for them. CIPPS also contains a leave accounting subsystem, CIPPS-Leave, for processing and recording leave activity administered by DOA. Agencies using CIPPS are not required to use CIPPS-Leave. Currently, CIPPS does not provide time and attendance reporting functionality. As a result, some agencies have opted to implement their own time and attendance solutions leading to duplication of processes and limited standardization controls within the Commonwealth.

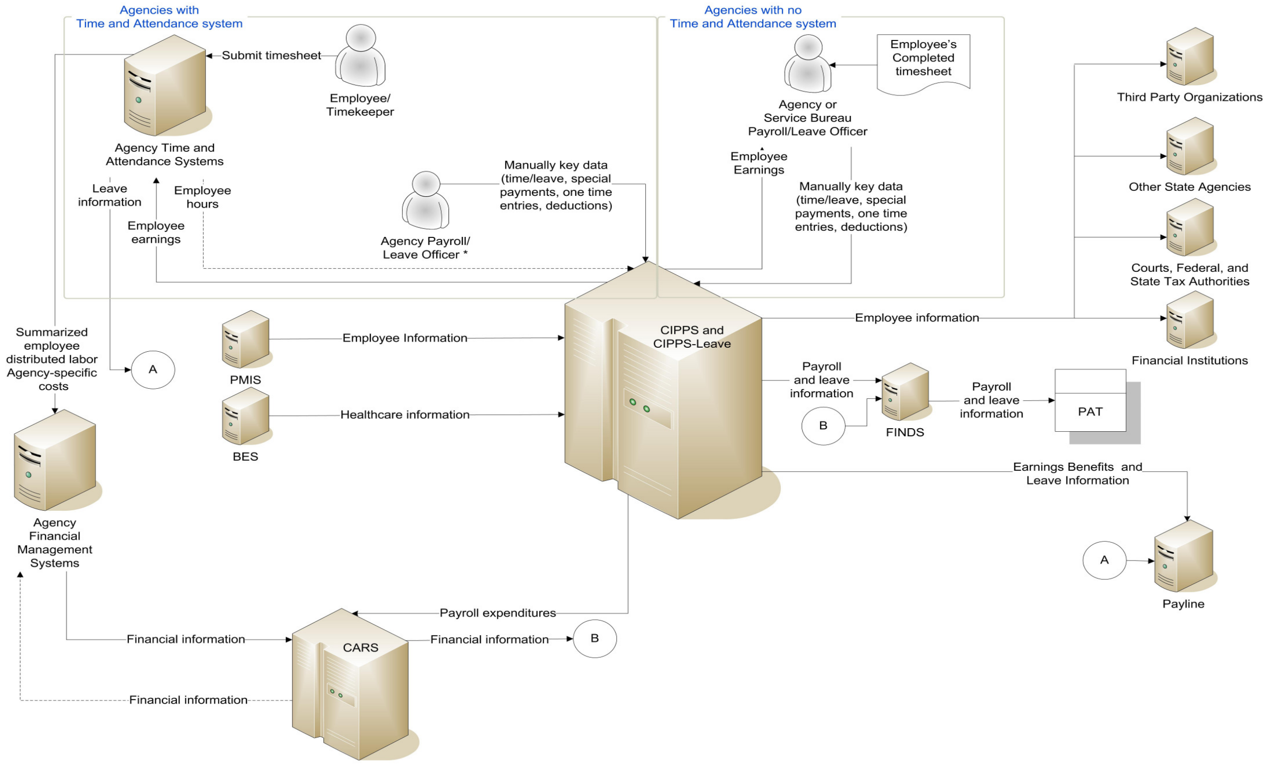
DHRM and DOA each maintain a fee-based service bureau. DHRM's Human Resource (HR) Service Bureau provides a full-range of human resource services to DHRM and ten other agencies. DOA's Payroll Service Bureau provides full payroll services for approximately 38 agencies (about 10,000 employees or 10% of the agency population). Basically, they support payroll activities just like a Payroll or Leave Officer would within an agency. Both service bureaus support only a fraction of the Commonwealth's total agency employee population.

In addition to CARS, CIPPS, and PMIS, one of the following other systems or applications may support the *Financial Management – TALL* process at the agency level:

- PeopleSoft – Time and Labor, Tools, Financial Management System (FMS) (DGS, VDOT),
- TimeKeeper (VEC),
- State Employment Security Agency (SESA) (VEC),
- Integrated Forest Resource Information System (IFRIS) (DOF),
- Kronos,
- In-house NIMS,
- Oracle – Time Effort,
- Oracle – SST Projects,
- Mapper,
- MACS In-house Time Scope,
- DMV VSDP System,
- Excel, and
- Access.

2.1.2 Current State

Exhibit 2-1 – FM09 TALL – Current State Environment



* Some agencies are opting to manually key data into CIPPS instead of loading data via batch processing.

Exhibit 2-1 illustrates the TALL current state environment. The Commonwealth does not have one statewide system to support the management of TALL. The Commonwealth currently relies on numerous systems, applications, and manual processes to fully capture and report human capital time and attendance.

There are more than 200 agencies using CIPPS and approximately 150 agencies using CIPPS-Leave. Currently CIPPS and CIPPS-Leave do not support the statewide collection of time and attendance data. Most agencies manually key total time worked for wage employees and time exceptions (e.g. overtime, leave) for non-wage employees in addition to special payments, one time entries, and deductions directly into CIPPS. Approximately 20 agencies have implemented their own internal time and attendance systems.

Agencies require timesheet entry for wage employees. For non-wage employees, four methods of handling timesheet data have been identified:

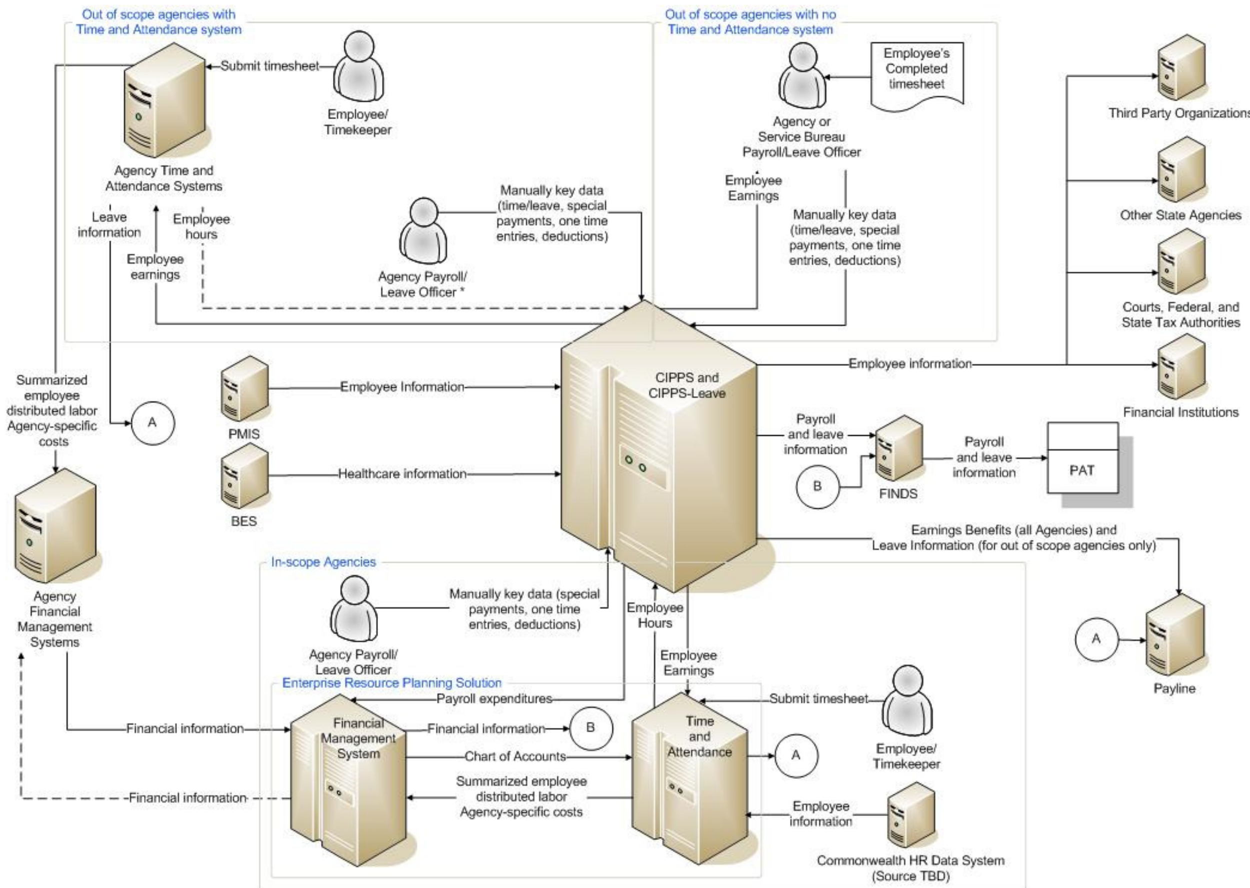
1) agency requires timesheet entry,
2) agency generates a default timesheet and requires timesheet entry of exceptions (e.g. overtime, leave),
3) agency does not require timesheet entry, and
4) agency requires timesheet entry and also generates default timesheet and requires timesheet entry of exceptions (e.g. overtime, leave).

Agencies have identified varying levels of timesheet approvals that include direct supervisor, delegate/proxy, one of multiple supervisors within the same level, rolled up/down to alternate approvers, multi-level approvals (e.g. supervisor approves regular time worked and manager approves overtime), and auto-approvals. In some instances the approval mechanism is a manual process while for others it has been identified as an automated process.

For the most part, agencies with their own internal time and attendance systems send data to CIPPS through a batch process and receive a pay file of earnings for distribution and reconciliation activities within their systems. Some agencies also receive PMIS and CIPPS extracts for internal reporting purposes. Agencies that have their own internal time and attendance systems also have the option to manually key data into CIPPS.

2.1.3 Future State

Exhibit 2-2 – FM09 TALL – Future State Environment



* Some agencies are opting to manually key data into CIPPS instead of loading data via batch processing.

Exhibit 2-2 illustrates the TALL future state environment. Phase I includes the implementation of an ERP solution comprised of Financial Management, Performance Budgeting, and Time and Attendance components. The implementation of this ERP solution will replace CARS and provide a system to support TALL activities. CIPPS will remain in the future state and continue to process payroll as it does today. CIPPS-Leave will also remain in the future state and continue to operate for out-of-scope agencies as it does today. In-scope agencies will use the Time and Attendance component of the ERP solution for leave processing. PMIS (and its subsystems, such as BES) will also exist in the future state environment.

Phase I in-scope agencies will be required to use the new ERP solution. Every Phase I in-scope agency employee will have a timesheet. There will be some flexibility in how agencies handle timesheet data for their employees:

1) agency requires timesheet entry,

2) agency generates a default timesheet and requires timesheet entry of exceptions (e.g. overtime, leave), and

3) agency requires timesheet entry and also generates default timesheet and requires timesheet entry of exceptions (e.g. overtime, leave).

Timesheets will go through an approval process before being submitted to CIPPS for payroll processing. Varying levels of timesheet approvals will exist that include direct supervisor, delegate/proxy, one of multiple supervisors within the same level, rolled up/down to alternate approvers, multi-level approvals (e.g. supervisor approves regular time worked and manager approves overtime), and auto-approvals. The approval mechanism will be an automated process. Employees will also have the ability to view their leave balances and create leave requests. Like timesheets, leave requests will also undergo an approval process.

For in-scope agencies, employee hours and pay rate information will be sent to CIPPS through a batch process for payroll processing. When applicable, agencies will also have the option to manually key data (e.g. special payments, one time entries, and deductions) into CIPPS. The Time and Attendance component of the ERP solution will receive a pay file of employee earnings for distribution and reconciliation activities.

Phase I out-of-scope agencies will continue to process TALL activities in the same manner as they do today. Like the current state, some of the out-of-scope agencies manually key data directly into CIPPS while other agencies have implemented their own internal time and attendance systems. Agencies with an internal time and attendance system will continue to send data to CIPPS through a batch process and receive a pay file of earnings for distribution and reconciliation activities within their systems.

In Phase II, the Phase I out-of-scope agencies will become users of the Time and Attendance component of the ERP solution. Phase III includes replacing PMIS and CIPPS by implementing a statewide HR/payroll solution that includes one integrated system of record for employee data. Having Phase I and Phase II agencies using the ERP as well as implementing a fully integrated enterprise HR/payroll solution in Phase III will amplify the benefits gained from the implementation of a TALL solution.

2.1.4 Improvement Opportunities

The implementation of the new ERP system along with new and modified policies and procedures will provide a number of benefits and improvements to financial management processes within the Commonwealth of Virginia.

A new TALL system will enable the Commonwealth to leverage technology to efficiently and effectively manage resources. The system will capture time and attendance at a statewide level and fully integrate with financial management and the current payroll system CIPPS. Self-service and automated workflow functionality will provide improved employee satisfaction and reduced operational costs. Decisions around labor and workforce can be made with increased accuracy and reliability due to the availability of up-to-date employee information and uniformity amongst Commonwealth agencies.

Some of the overall improvements that will be achieved with the new ERP system are:

- elimination of redundant data entry and reconciliation,
- automated workflow capabilities,
- reduced risk associated with dated system applications and the aging workforce most familiar with them,
- a web-based, intuitive user interface,
- more efficient customer service to the citizens of the Commonwealth of Virginia,
- integrated and powerful reporting capabilities (including management reporting tools, decision analytics, and management performance dashboards, as well as a variety of standard reports, inquiries, and tools), and
- comprehensive security and internal controls.

Some TALL specific improvements that will be achieved with the new ERP system are:

- standard time capture for the Commonwealth,
- immediate support for Commonwealth mandates and policies,
- time reduction in setting up referential data,
- consistent leave processing,
- non-employee time capture and processing,
- consistent validation edit controls,
- flexible budget checking functions,
- capture labor/cost distribution,
- improved data integrity,
- reduction in the number of agency systems,
- simplified future statewide system architecture,
- administrative efficiencies using self-service capabilities,
- more effective planning and re-alignment using cost and budget projection capabilities,
- integration capabilities with third-party systems, and
- modern technology promotes long-term relationships with the workforce and competitive market edge.

2.2 Problem Statement

The problem statement below identifies the overall problems that are apparent for the current environment related to *Financial Management – TALL.*

Problem	Effect	Impact	Solution	Benefit
1. Processes and tools have been developed for the interchange of data between PMIS and CIPPS, but the functionality is not fully integrated.	• Some duplicate data entry and storage • Difficult to generate useful ad-hoc and analytical reports	• Time consuming efforts expended within agencies to support human resource and payroll processes • Increase risk of data inconsistencies • Data does not necessarily reflect entire employee base • Unable to always provide complete and integrated statewide data for executives and decision makers in a timely manner • Inappropriate payments are sometimes made	• The short term solution (Phase I) is to develop and enforce procedures to maintain PMIS data in a timely manner and consistently across agencies • The long term solution (Phase III) is to ultimately replace PMIS and CIPPS by implementing a statewide HR/payroll solution that includes one integrated system of record for employee data	• Improved efficiency by minimizing double-keying • Accurate, timely, and accessible data • Enhanced ad-hoc reporting to meet the unique needs of agencies, legislative bodies, executives and decision makers
2. There is no statewide time and attendance system. Additionally, CIPPS is unable to provide time and attendance reporting functionality.	• At the agency level, PMIS and CIPPS are augmented by a significant number of other ancillary support applications and systems as well as manual processes	• Use of additional resources to create interfaces or double key into multiple systems	• Implement a time tracking module and require employees to submit their time and leave for the pay period and supervisors to review and approve the time worked	• Instantaneous updates to time and leave hours in the payroll system using automated functionality • Accurate cost allocation • Improved ability to capture cost accounting data (e.g. projects, grants, etc)

Problem	Effect	Impact	Solution	Benefit
3. Multiple time and attendance systems exist to support agencies across the Commonwealth.	• Additional costs associated with supporting multiple systems • System inefficiencies and incomplete data	• Current statewide systems do not efficiently meet business requirements for all needs across agencies	• One statewide time and attendance system accessible to Commonwealth agencies and employees	• Reduced overall statewide software, maintenance, and/or upgrade costs • Better ability to obtain information requested or needed
4. The system technologies currently in use are outdated.	• Difficult to replace employees with system knowledge and expertise • Access controls are not systematically tied to position controls or responsibilities across systems	• Increase in risk of system failure • Risk of security breaches	• Supported COTS product • New technology allowing for multiple layers of security • System with self-service capabilities for employees	• Enhanced security controls to better manage confidential data while providing easier security maintenance and review capabilities • Improved user interfaces and end user system experience
5. Automated workflow functionality does not exist at the statewide level.	• Paper-driven, manual processes	• Time consuming effort to complete processes such as obtaining manager approval and signature for employee leave submission and timesheet processing	• System with automated workflow and notification/alerts functionality	• Increased automation to manage the routing of documents electronically to the appropriate individual for review and approval • Reduced paper files • Increased agency efficiency and improve cycle time of transactions

Problem	Effect	Impact	Solution	Benefit
6. The Commonwealth has limited common statewide processes to manage and execute TALL activities.	• Agencies have developed systems and processes that support their needs because the central systems do not meet the human resource requirements of the agencies	• Administering TALL activities is an ongoing and time consuming task requiring agencies to utilize resources that could accomplish other value-add activities • Improper payments may be made and not documented until leave is processed or audit is conducted	• For TALL, develop statewide policies and procedures as well as standard, streamlined business processes	• Consistent processes across agencies • Significant reduction of duplicate processes • Improved policy and legal compliance

3. Stakeholder and User Descriptions

To effectively provide products and services that meet the needs of stakeholders and users, it is necessary to identify and involve all of the stakeholders as part of the 'future state environment' for the *Financial Management – TALL* business process. This section provides a profile of the stakeholders and users involved in the project and the key problems that they perceive will be addressed by the ERP solution.

3.1 Stakeholder and User Definition

A stakeholder is a party who affects, or can be affected by, the Commonwealth's actions in relation to the business process within the Financial Management and Performance Budgeting Processes. The stakeholder concept was developed and championed by R. Edward Freeman in the 1980s. It has gained wide acceptance in business practice and in theorizing relating to strategic management, governance, and business purpose.

Users are widely characterized as the class of people that uses a system without complete technical expertise. However, users have understanding and knowledge of the business process in which the system is used to accomplish the execution of the business process.

3.2 User Summary

This section provides a list of the users involved in the project. This information is used in the following section which describes the user profiles:

- Commonwealth Employee,
- Non-Employee,
- Supervisor/Manager,
- Timekeeper,
- HR Staff (Personnel and/or Payroll),
- Approver,
- Security Administrator,
- In-Scope Agency Financial Management (FM) Staff,
- Department of Human Resource Management (DHRM), and
- Department of Accounts (DOA).

3.3 User Profiles

Each unique user of the system is described in this section. User types can be as divergent as experts and novices. For example, an expert might need a sophisticated, flexible tool with cross-platform support, while a novice might need a tool that is intuitive based upon prescribed standards. No attempt is made in this section to distinguish between the different users' requirements.

3.3.1 Commonwealth Employee

User Type Name	Commonwealth Employee
Representative	Employee from any Commonwealth agency
Description	The Commonwealth Employee is hired by the Commonwealth and is an employee of an agency. The Commonwealth Employee reports to work and completes job related tasks as required.
Type	A user of any self-service components of the system

Responsibilities	• View information about the policies for timekeeping • Enter and maintain hours worked on timesheet • Enter and maintain equipment hours used on timesheet • Perform timesheet adjustments • Submit timesheet at the end of pay period • Create, submit, and/or update a leave request for approval • Monitor available leave balance
Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Standardized policies and procedures • TALL policies, procedures, and processes are manageable • Redundant processing streamlined • Time captured for Commonwealth employees • The system is supported for the employees • Proper payroll processing based on time entered • Reduction of adjustments (less adjustments to payroll dollars and leave)
Involvement	• Provide knowledge as needed in relation to business processes • Participate in User Acceptance Testing

3.3.2 Non-Employee

User Type Name	Non-Employee
Representative	Equipment, Inmate, Contractor, Sub-contractor, Temporary Staff, Volunteer, Student, or Intern
Description	Non-Employee types include Inmates, Contractors, Sub-Contractors, Temporary Staff, Volunteers, Students, and Interns that supply work to the Commonwealth. Additionally, a non-Employee type can be classified as Equipment and identifies the different items of equipment that are used by Commonwealth employees and previously defined non-employees in order to accomplish job related tasks.
Type	Job related equipment usage is recorded and other Non-Employee Types (including Inmates, Contractors, Sub-Contractors, Temporary Staff, Volunteers, Students, and Interns) may be users of some self-service components of the system (e.g. time capture)
Responsibilities	• View information about the policies for timekeeping (not applicable to equipment) • Enter hours worked on timesheet; update and/or delete hours on timesheet • Enter hours for equipment used on timesheet • Submit timesheet at the end of pay period • Monitor hours worked
Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Accurate history of Non-Employee (or agency-specific) time captured • Ability to bill or pay using Non-Employee (or agency-specific) time captured • Standardized processing • Ability to capture Non-Employee (or agency-specific) data in more detail • The system is accessible to the Non-Employee (as required) • The system is supported for the Non-Employee
Involvement	• Provide knowledge as needed in relation to business processes • Participate in User Acceptance Testing

3.3.3 Supervisor/Manager

User Type Name	Supervisor/Manager
Representative	Supervisor or manager from any agency
Description	The Supervisor/Manager is an employee who oversees a group of employees. The Supervisor/Manager can act as a proxy for an employee in their absence.
Type	A user of any employee self-service components of the system and may also access parts of the system that are not self-service components

Responsibilities	• Review and approve employee timesheet • Perform timesheet adjustments • Review and approve leave request • Initiate leave request on behalf of employee • Initiate timesheet on behalf of employee • Link time and attendance profile to default work schedule • Create employee work schedule • View and query reports
Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Supervisor/Manager better informed of subordinates' actions (e.g. through notifications) • Employees' submitted timesheets and leave requests are readily accessible to the Supervisor/Manager • Standardized policies and procedures • TALL policies, procedures, and processes are manageable • Redundant processing streamlined • The system is accessible to the Supervisor/Manager • The system is supported for the Supervisor/Manager
Involvement	• Provide knowledge as needed in relation to business processes • Participate in User Acceptance Testing • Participate in requirements definition and reviews

3.3.4 Timekeeper

User Type Name	Timekeeper
Representative	Commonwealth Employee or Non-Employee
Description	The Timekeeper acts as a proxy for an employee in their absence.
Type	A user of any self-service component of the system
Responsibilities	• Enter hours worked for an employee • Enter hours for equipment used • Create and submit leave request • Submit timesheet at the end of the time period • Perform timesheet adjustments • View and query reports
Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Standardized policies and procedures • TALL policies, procedures, and processes are manageable • Redundant processing streamlined • Timekeepers can report time for employees who cannot access the system • The system is accessible to the Timekeeper • The system is supported for the Timekeeper
Involvement	• Provide knowledge as needed in relation to business processes • Participate in User Acceptance Testing

3.3.5 HR Staff (Personnel and/or Payroll)

User Type Name	HR Staff (Personnel and/or Payroll)
Representative	Commonwealth Employee or Non-Employee
Description	The HR Staff is involved in supporting TALL activities.
Type	A user of the system

Responsibilities	• Establish and maintain time and attendance employee profile • Establish and maintain the available default work schedules • Review and submit final timesheets to CIPPS for pay processing • View and query reports • Provide customer service to agencies and employees • Ensure agency is adhering to policies and programs for the management of TALL activities as defined by DHRM • Develop and administer policies and procedures • Establish and maintain workflow rules and organizational hierarchy
Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Information is readily accessible to the HR Staff • Improved reporting capability • Enforcement of standardized policies and procedures • TALL policies, procedures, and processes are manageable • Redundant processing streamlined • The system is accessible to the HR Staff (as required) • The system is supported for the HR Staff
Involvement	• Provide knowledge as needed in relation to business processes • Participate in User Acceptance Testing • Participate in requirements definition and reviews

3.3.6 Approver

User Type Name	Approver
Representative	The Approver represents a category of users and can be a Supervisor/Manager, Timekeeper, HR Staff, alternate, back-up, delegate, proxy, or designee from any agency
Description	The Approver is an employee who reviews and approves timesheets and leave requests.
Type	A user of any employee self-service component of the system
Responsibilities	• Review and approve timesheets • Review and approve leave requests, if applicable • Initiate leave requests on behalf of the employee, if applicable
Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Approvers are better informed of actions that impact them (e.g. through notifications) • Employees' submitted timesheets and leave requests are readily accessible to the Approver • Increased flexibility in the approval process • TALL processes are manageable • The system is accessible to the Approver (as required) • The system is supported for the Approver
Involvement	• Provide knowledge as needed in relation to business processes • Participate in User Acceptance Testing • Participate in requirements definition and reviews

3.3.7 Security Administrator

User Type Name	Security Administrator
Representative	Commonwealth Employee or Non-Employee
Description	The Security Administrator is responsible for maintaining user access to different components of the system.
Type	Administers the system and could be a user of any self-service component of the system

Responsibilities	• Administration of security to the agencies in the Commonwealth • Establish security levels for the system • Provide users with appropriate access to the system (provide user IDs and passwords) • Delete or deactivate users when applicable • Delegate additional security controls over specific areas in the system
Success Criteria	• Ability to define security at different levels of the organization • If applicable, Security Administrators are better informed of actions that impact them (e.g. through notifications) • Standardized implementation of security controls • Standardization of functions using security • The system is accessible to the Security Administrator • The system is supported for the Security Administrator
Involvement	• Provide knowledge as needed in relation to technical processes • Participate in User Acceptance Testing

3.3.8 In-Scope Agency Financial Management (FM) Staff

User Type Name	In-Scope Agency FM Staff
Representative	In-Scope Agency FM Staff from any agency who manage financial activities
Description	In-Scope Agency Financial Management Staff is involved in supporting cost accounting activities.
Type	A user of the system
Responsibilities	• Manage cost and grant accounting activities • Provide customer service to agencies, management and employees • Develop and provide agency-specific training • Provide internal controls and measures to maintain the financial integrity of data entered into the system
Success Criteria	• The system is useable by trained staff • Improved cost accounting for payroll • Maintaining costs is more automated and accurate • Ability to retire legacy financial management systems • Increased cost accuracy
Involvement	• Provide knowledge as needed in relation to business processes • Streamline agency-specific TALL policies, procedures and business processes • Participate in User Acceptance Testing

3.3.9 Department of Human Resource Management (DHRM)

User Type Name	Department of Human Resource Management (DHRM)
Representative	DHRM employees, specifically those involved in managing TALL activities
Description	The staff of the central HR agency for the Commonwealth who are responsible for administering, developing, and overseeing the state's HR policies and systems.
Type	Supports the system and the integration with the HR system (PMIS)
Responsibilities	• Provide HR leadership for the Commonwealth and its workforce • Develop and administer policies and programs for the management of TALL

Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Information is readily accessible to the DHRM employees if the appropriate security level is granted • Improved reporting capability • TALL policies, procedures, and processes are manageable • Enforcement of standardized policies and procedures • Redundant processing streamlined • Ability to retire legacy financial management systems • The system is accessible to DHRM employees • The system is supported for DHRM employees
Involvement	• Provide knowledge as needed in relation to business processes • Streamline agency specific TALL policies, procedures and business processes • Participate in User Acceptance Testing

3.3.10 Department of Accounts (DOA)

User Type Name	Department of Accounts (DOA)
Representative	DOA employees, specifically those involved in processing payroll
Description	The staff of the central financial accounting agency for the Commonwealth.
Type	Supports the system and the integration with the payroll system (CIPPS)

Responsibilities	• Maintain and operate CIPPS
	  o Send employee data
	  o Receive time and attendance data (hours) batched into CIPPS
	  o Send the Expanded Current Earnings (ECE) file with earnings data
	  o Execute payroll processing

Success Criteria	• Automated workflow capabilities will enhance TALL processing and communication • Information is readily accessible to the DOA employees if the appropriate security level is granted • Improved reporting capability • TALL policies, procedures, and processes are manageable • Enforcement of standardized policies and procedures • Redundant processing streamlined • Reduction in the number of manual processes • Ability to retire legacy financial management systems • The system is accessible to DOA employees • The system is supported for DOA employees
Involvement	• Provide knowledge as needed in relation to business processes • Streamline agency specific TALL policies, procedures and business processes • Participate in User Acceptance Testing

3.4 Stakeholder Summary

The following section provides a list of the groups/parties which can either affect or can be affected by the Commonwealth's actions in relation to the business processes within Financial Management. The table that follows additionally provides information about the type of influence the stakeholder may have, their needs and expectations, success criteria, key challenges/issues/concerns associated with the stakeholder, as well as the risk of not addressing their needs/expectations, and the stakeholder's general interest in the VEAP.

3.5 Appendix B - Stakeholder Profiles

4. Key Product Requirements

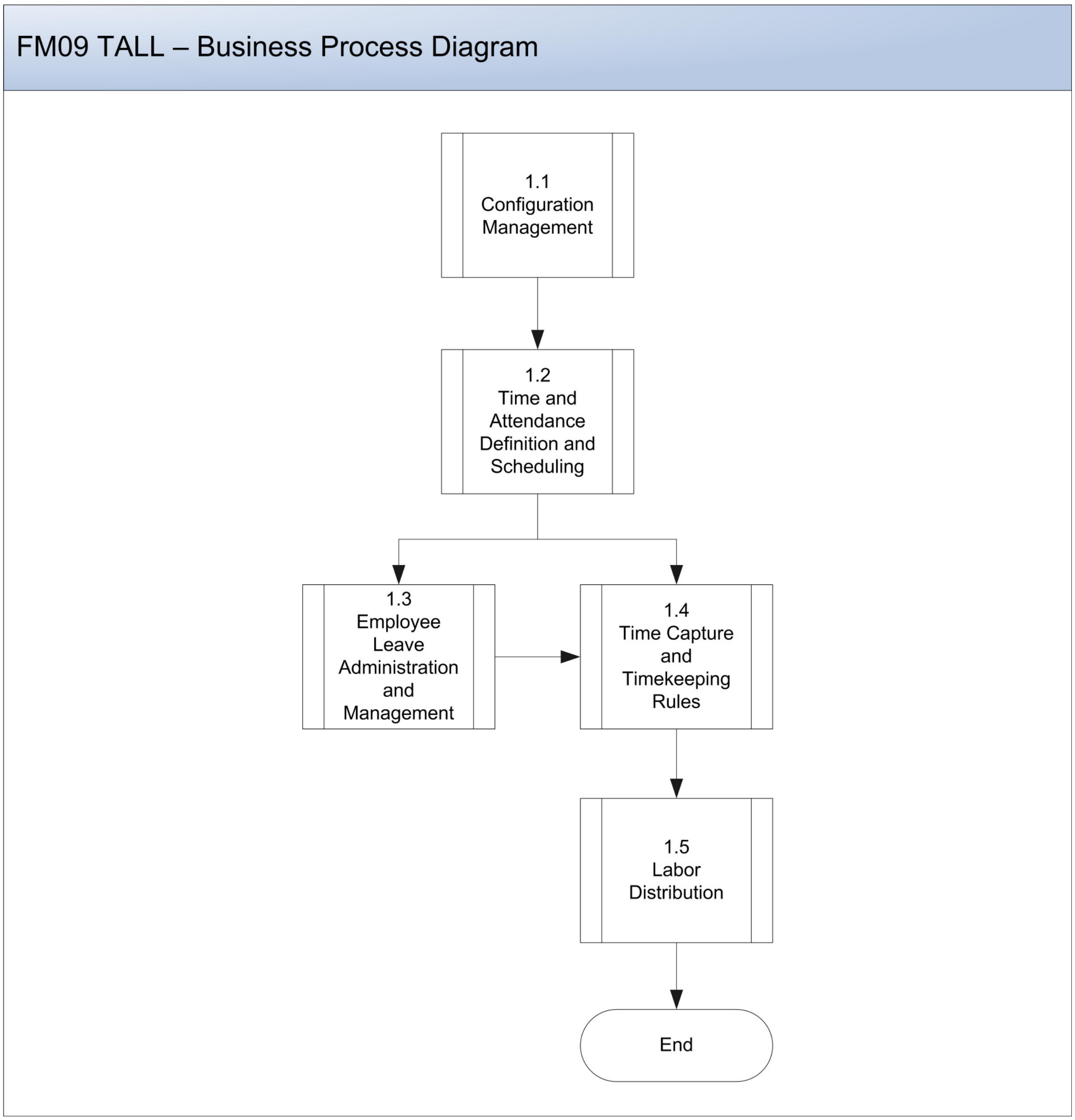
While the detailed business and system requirements for the *Financial Management – TALL* business process are contained within Appendix A, this section emphasizes several high level *Financial Management – TALL* requirements.

- **Standard time capture for the Commonwealth:** Currently there is no standard method for capturing time nor is there a defined level of detailed time captured for the Commonwealth. Some agencies opt to enter a summary of hours directly into CIPPS without capturing the detailed distribution charges. Other agencies have implemented internal time capturing systems to capture work hours by days and detailed distribution charges.
- **Immediate support for Commonwealth mandates and policies:** The opportunity for different interpretations of policy and mandates is significantly reduced since the policies will be defined for the Commonwealth and agencies must adhere to all defined policies.
- **Time reduction in setting up referential data:** The referential data (e.g. yearly calendars, schedules, positions) is setup once and is available to all users of the Time and Attendance component of the ERP solution.
- **Consistent leave processing:** Leave types and rules dictating usage will be created once for the Commonwealth resulting in a reduction of leave policy misinterpretation and misuse. Agencies will adhere to the leave types defined under the leave plans available. The leave plan assigned to an employee will dictate the codes available for entry and the processing required.
- **Non-employee time capture and processing:** Non-employee time captured can be used to create a bill, submit a payment, or report data to an external system providing agencies the flexibility to meet unique needs.
- **Consistent validation edit controls:** The data keyed into the timesheet will undergo validation edit controls. If chart of account updates are applied to satisfy budgetary controls on the distributed labor, then changes will be propagated to the time captured and validation edit controls will be re-applied.
- **Flexible budget checking functions:** Classification at the agency level will exist to determine if budget checking controls will be by-passed. The flexibility to by-pass budget checking controls is advantageous for agencies receiving funds later in the year. Once the labor is distributed, then budgetary controls will be performed. If budget checking controls cannot be by-passed, chart of account updates to satisfy budgetary controls on the distributed labor will be propagated to the time captured.
- **Capture labor/cost distribution:** Improve financial reporting and accountability using more detailed chart of account information captured on the distributed labor. Provide the ability to allocate leave and fringe costs at the employee or summary level.
- **Improved data integrity:** Data reported to financials will be provided in its final form reducing data integrity concerns.
- **Reconciliations:** Process to identify variances between payroll expensed, labor distributed, and CIPPS earnings received will allow users of the system to identify cause of variation to the employee level.
- **Integrated, real-time reporting:** Current users must extract information from different systems to comply with reporting requirements. Ultimately, with an enterprise solution, the data is stored in one centralized location and reporting tools enable ad-hoc retrieval of information at different levels of detail.
- **Workflow functionality:** Streamline, integrate and secure human-centric business processes to expedite the processing of employee time and labor distribution using position management to define an organizational hierarchy.

5. Process Thread Summary

This section lists the process threads related to the *Financial Management – TALL* business process. It provides a general description of the business process and lists governing regulations and policy or procedures related to the *Financial Management – TALL* business process.

Exhibit 5-1 – FM09 TALL – Business Process Flow



Number	Business Thread Name	Description of Business Process Thread	Governing Regulations/Policy
FM09-1.1	Configuration Management	Configuration Management is the process of defining and managing varying calendars, schedules, and positions to support data entry and transaction processing on a statewide level.	• United States Privacy Act of 1974 – 5 u.s.c 552a
FM09-1.2	Time and Attendance Profile Definition and Scheduling	Time and Attendance Profile Definition and Scheduling is the process of defining and managing time and attendance employee and agency-specific (e.g. equipment, inmate, contractor, sub-contractor, temporary staff, volunteer, student, and intern) profiles, linking time and attendance profiles to defined schedules, defining default timesheet parameters, and associating time and attendance employee and agency-specific profile information to better manage workflow routing functionality.	• Fair Labor Standards Act (FLSA) • Freedom of Information Act (FOIA) • Equal Employment Opportunity (EEO) • American Disability Act (ADA) • Title 16 under the Virginia Administrative Code • DHRM Human Resource Policy Manual • Internal Revenue Service: Tax Topic 762 – Independent Contractor vs. Employee
FM09-1.3	Employee Leave Administration and Management	Employee Leave Administration and Management is the process of defining and managing leave programs as defined by DHRM and maintaining the appropriate levels of control in the creation, approval, denial, and processing of leave taken by the employee.	• Fair Labor Standards Act (FLSA) • DHRM Human Resource Policy Manual – Leave Policies • Family and Medical Leave Act (FMLA) • Freedom of Information Act (FOIA) • Equal Employment Opportunity (EEO) • American Disability Act (ADA) • Uniformed Services Employment and Reemployment Rights Act (USERRA)

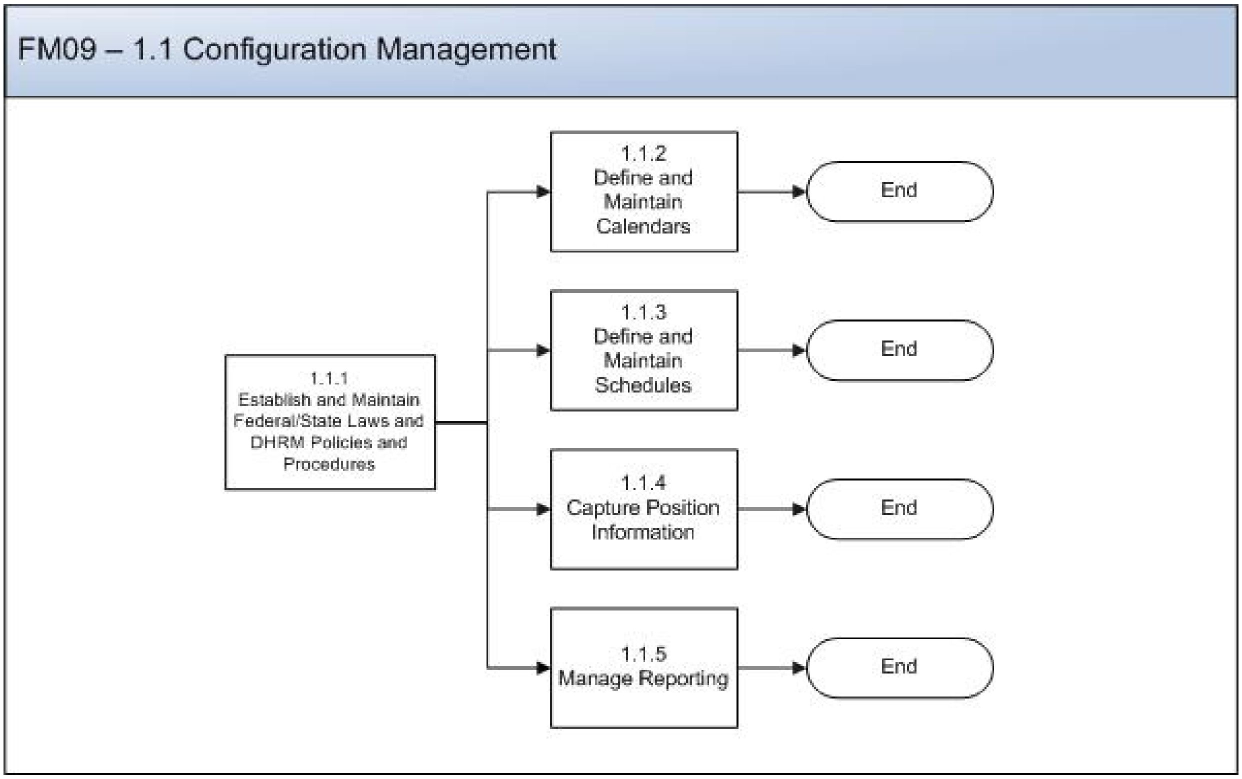
Number	Business Thread Name	Description of Business Process Thread	Governing Regulations/Policy
FM09-1.4	Time Capture and Timekeeping Rules	Time Capture and Timekeeping Rules is the process of defining timekeeping rules, administering usage of time captured based on defined time and attendance employee and agency-specific (e.g. equipment, inmate, contractor, sub-contractor, temporary staff, volunteer, student, and intern) profiles, performing adjustments, and removing time captured for inactivated time and attendance profiles.	• Fair Labor Standards Act (FLSA) • Virginia Occupational Safety and Health (VOSH) • Occupational Safety and Health Administration (OSHA) • DHRM Human Resource Policy Manual • Freedom of Information Act (FOIA) • Equal Employment Opportunity (EEO) • American Disability Act (ADA) • Individual Federal Grantor Agency Regulations • Department of Labor (DOL) Regulations
FM09-1.5	Labor Distribution	Labor Distribution is the process of capturing labor costs, reporting to financials, and tracking project costing and grant reporting.	• Federal/State Laws • Fair Labor Standards Act (FLSA) • Freedom of Information Act (FOIA) • Equal Employment Opportunity (EEO) • American Disability Act (ADA) • Individual Federal Grantor Agency Regulations

6. Process Thread Detail Description

This section describes each process thread above with a more detailed description.

6.1 Configuration Management

Exhibit 6-1 – FM09 TALL – Configuration Management



FM09-1.1 – Process Thread Description – Configuration Management	
Process Description:	Configuration Management is the process of defining and managing varying calendars, schedules, and positions to support data entry and transaction processing on a statewide level.
Improvement Opportunities:	• Maintain Commonwealth calendars in a centralized location. • Maintain agency schedules in a centralized location. • Provide the flexibility to customize and define work schedule records as allowable by policy. • Provide data constraints using Calendar, schedules and positions defined. • Standardization of TALL processing activities at a statewide level. • Set the framework for automated workflow using position management. • Define organizational hierarchy for employee/supervisor structure. • Establish automated reporting solutions that lead to increased efficiency and productivity. Staff that is currently manually collecting data or running overnight batch processes will be able to focus on value added analysis activities. • Data can be displayed at a high-level summary with the ability to drill down to the detail. • Provide ability to schedule reports for production at regular intervals.

<table>
<tr><th colspan="2">FM09-1.1 – Process Thread Description – Configuration Management</th></tr>
<tr><td>Legal/Policy Reform Impacts:</td><td>
<u>Legal</u>
None identified.
<u>Policy</u>

Change policy to decrease the number of calendars used for TALL processing. In the Time and Attendance component of the ERP solution, consider establishing one calendar with multiple views. The payroll and federal fiscal year calendars cannot be changed; therefore, other calendars (such as the leave calendar) could be aligned with either the payroll or federal fiscal year calendars but further analysis needs to occur to determine the best approach.

Advantages
Minimize the need to maintain multiple calendar tables.
Disadvantages
Year end close out will occur at the same time for many processes, since they will be aligned to the same calendar.

Create a policy to enforce the standardization of statewide payroll processing. <u>Option A-</u> Move from a semi-monthly to bi-weekly calendar, which would allow an employee to be paid for time worked or leave taken during a two week period versus the employee getting paid twice a month with varying time period ranges. This proposed policy change would include moving wage (non-exempt) employees to bi-weekly pay, and also increasing the payroll processing lag time from 7 to 14 days.

Advantages

The bi-weekly calendar will enable better compliance with FLSA regulations without significant coding changes to the system.
Two thirds of state employees are non-exempt, thus simplifying FLSA compliance.
An increase in the time payroll has for processing will provide additional time to incorporate adjustments after time submissions, potentially resulting in a reduction in the number of payroll errors/corrections.
Standard work weeks enable easier calculations of the standard hourly rate.

Disadvantages

Bi-weekly processing could complicate the budget process by requiring extra payroll processing some years.
Employees may perceive they are being paid less money.
Extra payroll processing will require additional check printing resulting in increased costs, but costs can be reduced by mandating direct deposit.

Additional analysis will be required to evaluate the impact of moving to bi-weekly from semi-monthly frequency on third party payments since these payments occur 24 times a year.

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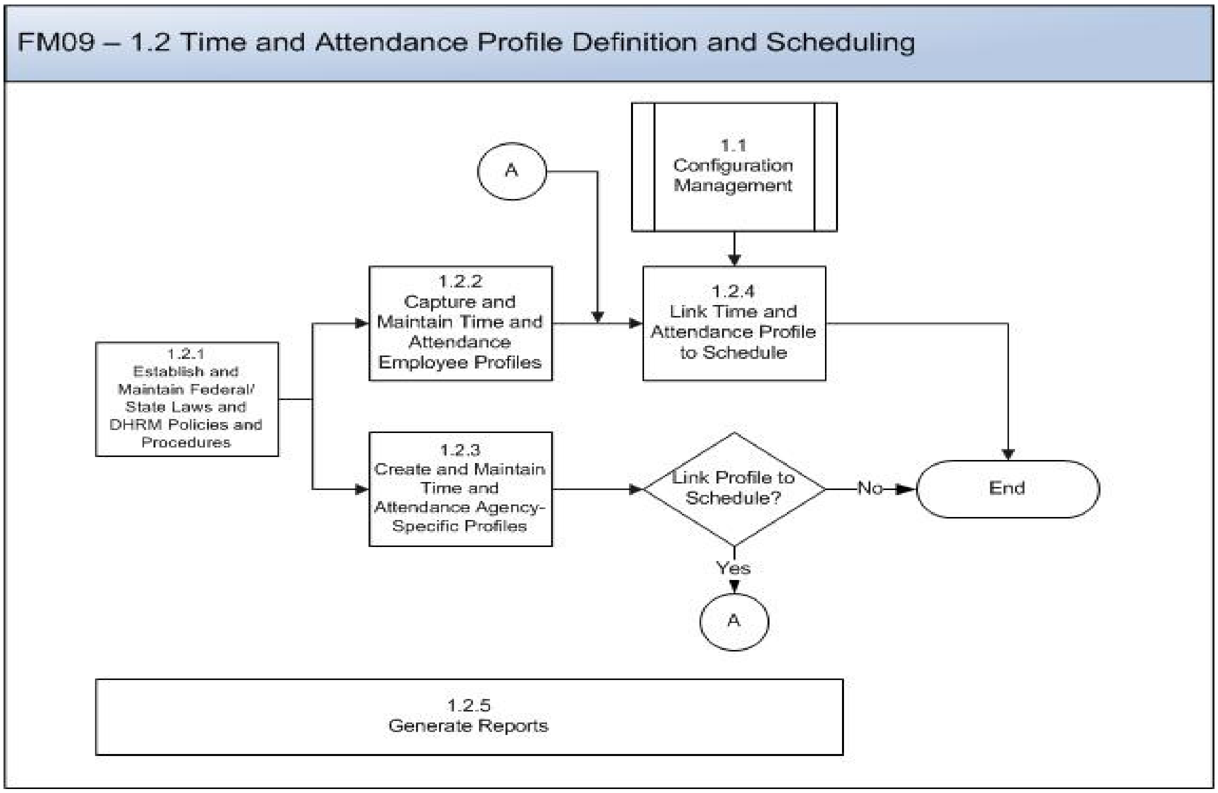
</table>

FM09-1.1 – Process Thread Description – Configuration Management	
	Option B- Standardize the pay cycle across the employee population. Have a standardized process in place to run payroll on a bi-weekly for hourly and monthly for salaried employees. Currently, some agencies have salaried employees on a semi-monthly pay calendar and others have salaried employees on a bi-weekly pay calendar. • Advantages ▪ Significant savings can be realized by eliminating several pay cycles and standardizing on a bi-weekly or monthly cycle. ▪ Utilize a job scheduler to kick off payroll cycles – bi-weekly for hourly and monthly for salaried. • Disadvantages ▪ Employees may resist changes in pay dates but this resistance may be subdued by providing additional compensation in order to implement the change and recovering the payment over a 12 month period. Option C- Standardize the pay cycle across the employee population. Have a standardized process in place to run payroll on a bi-weekly for hourly and salaried non-exempt employees and a monthly process for salaried exempt employees. • Advantages ▪ The bi-weekly calendar will enable better compliance with FLSA regulations without significant coding changes to the system. ▪ Two thirds of state employees are non-exempt, thus simplifying FLSA compliance. ▪ Significant savings can be realized by eliminating several pay cycles and standardizing on a bi-weekly or monthly cycle. ▪ Utilize a job scheduler to kick off payroll cycles – bi-weekly for non-exempt and monthly for exempt employees. • Disadvantages ▪ Bi-weekly processing could complicate the budget process by requiring extra payroll processing some years. ▪ Extra payroll processing will require additional check printing resulting in increased costs, but costs can be reduced by mandating direct deposit. ▪ Employees may resist changes in pay dates but this resistance may be subdued by providing additional compensation in order to implement the change and recovering the payment over a 12 month period.
Organization/People Impacts:	Training • The distribution of employee self-service will require training and communication across agencies. • Retraining of staff may require a new job description. Policy and Procedures • The implementation of new policies and procedures as well as the standardization of processes will require education and communication across agencies.
Assumptions:	All users have access to the system with appropriate security measures in place.
Access Methods:	Possible access methods include: • Web browser
System Interfaces:	• COVA HR System (PMIS) – HR Related Info In • Reporting Repository (Mantissa, Reportline, FINDS) – Reports Out

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.1.1	Establish and Maintain Federal/State Laws and DHRM Policies and Procedures	Laws and regulations are established for the Commonwealth to adhere to and enforce at the agency level and maintain consistency at the statewide level.	Step 1: DHRM establishes policies and procedures associated to schedules and positions. Federal/state laws stipulate calendars defined. Step 2: DHRM updates policies and procedures as required. Step 3: Agencies adhere to DHRM policies and procedures and federal/state laws.
1.1.2	Define and Maintain Calendars	Calendars (e.g. federal, leave, pay, budget, etc) set the foundation for processing and reporting time captured within the appropriate period. Calendars will enable data entry only for the periods defined.	Step 1: Define and update calendars according to federal and state regulations. Step 2: Associate calendar with process functionality (e.g. associate leave calendar with leave processing).
1.1.3	Define and Maintain Schedules	Define all types of work schedules.	Step 1: Identify and create different work schedules. Step 2: Disable or update defined work schedules.
1.1.4	Capture Position Information	Position information that is defined and maintained in the Commonwealth HR Data System (source TBD) is transmitted and captured in the Time and Attendance component of the ERP solution.	Step 1: Capture automatically position information and associated attributes (e.g. exempt, non-exempt, etc). Step 2: Classify position relationships to enable vertical or horizontal workflow functions at the agency level. Step 3: Position information that is updated or disabled in the Commonwealth HR Data System (source TBD) is transmitted automatically to the Time and Attendance component of the ERP solution.
1.1.5	Manage Reporting	Manage the reporting functionality that impacts all aspects of the TALL processes.	Step 1: Define and maintain standard and ad-hoc reports and their associated attributes.

6.2 Time and Attendance Profile Definition and Scheduling

Exhibit 6-2 – FM09 TALL – Time and Attendance Profile Definition and Scheduling



FM09-1.2 – Process Thread Description – Time and Attendance Profile Definition and Scheduling	
Process Description:	Time and Attendance Profile Definition and Scheduling is the process of defining and managing time and attendance employee and agency-specific (e.g. equipment, inmate, contractor, sub-contractor, temporary staff, volunteer, student, and intern) profiles, linking time and attendance profiles to defined schedules, defining default timesheet parameters, and associating time and attendance employee and agency-specific profile information to better manage workflow routing functionality.
Improvement Opportunities:	• Ability to set up time and attendance agency-specific profiles. • Standardize the approach to defining time and attendance employee and agency-specific profiles. • Apply rules and processes using established time and attendance employee profile. • Apply rules and processes using established time and attendance agency-specific profile. • Perform all time-to-gross processing using pay rates stored in the Time and Attendance component of the ERP solution. For example, the Time and Attendance component of the ERP solution can associate wage rates to hours for different jobs worked by setting up wage profiles. • System offers effective dating for mid pay-period time and attendance profile changes including data elements impacting pay or accrual processing, if applicable. • Centralized function activities for the processing of employee master files.

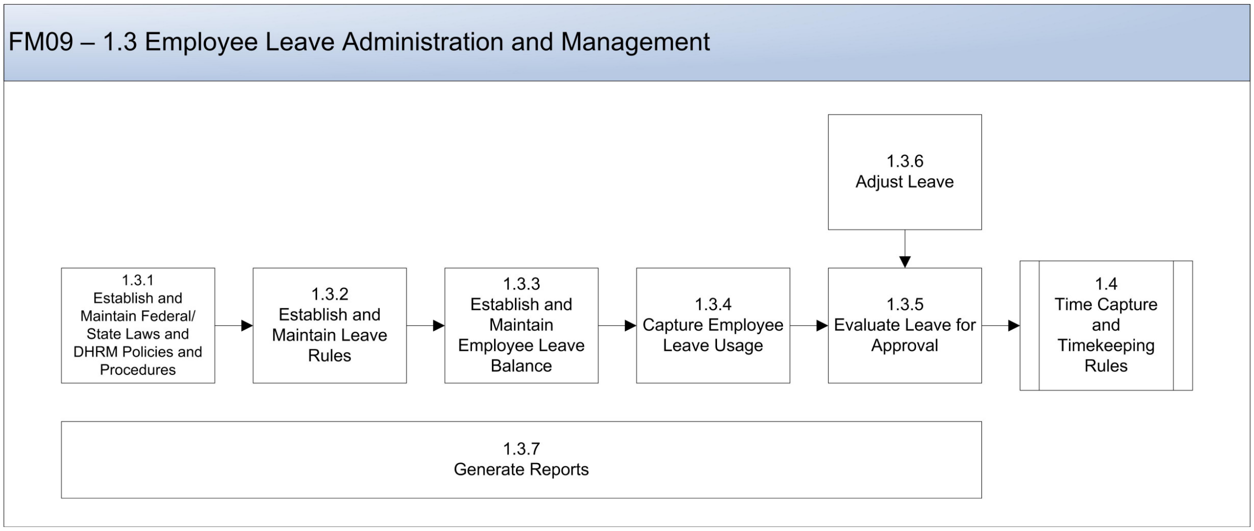
FM09-1.2 – Process Thread Description – Time and Attendance Profile Definition and Scheduling	
Legal/Policy Reform Impacts:	Legal • None identified. Policy • Establish DHRM policy supporting Internal Revenue Service: Tax Topic 762 – Independent Contractor vs. Employee for contractor/sub-contractor time and attendance agency-specific profile.
Organization/People Impacts:	Training • The distribution of time and attendance employee profile and scheduling self-service will require training and communication across agencies. • Retraining of staff may require new job description. Policy and Procedures • The implementation of new policies and procedures as well as the standardization of processes, such as creating and administering time and attendance employee profiles and schedules, will require education and communication across agencies.
Assumptions:	• All users have access to the system with appropriate security measures in place. • Employee travel reimbursements will be captured by Accounts Payable; however, the entry of travel requests will need to be captured manually or entered into an external system. Accounts Payable will have the ability to reimburse the employee based on the information captured outside of the system.
Access Methods:	Possible access methods include: • Web browser
System Interfaces:	• COVA HR System (PMIS) – HR Related Info In • COVA Payroll System (CIPPS) – Employee Data In • Agency Sub-System (WPS) – Activity, Sub-Activity, and Workgroup In • Agency Sub-System (EMS) – Equipment Data In • Imaging System (IBM FileNet) – Imaged Documents In • Agency Sub-System – Employee & Contractor Info Out • Agency Sub-System – HR Related Info Out • COVA HR System (PMIS) – Time and Leave Info Out

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.2.1	Establish and Maintain Federal/State Laws and DHRM Policies and Procedures	Laws and regulations are established for the Commonwealth to adhere to and enforce at the agency level and maintain consistency at the statewide level.	Step 1: DHRM establishes policies and procedures associated to schedules and positions. Federal/state laws stipulate calendars. Step 2: DHRM updates policies and procedures as required. Step 3: Agencies adhere to DHRM policies and procedures and federal/state laws.

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.2.2	Capture and Maintain Time and Attendance Employee Profiles	Time and attendance employee profiles are defined and maintained as updates are applied as necessary.	Step 1: Capture automatically employee profile information (e.g. define plan enrollments, demographic information, eligibility dates to include original state start dates and agency eligibility start dates, etc) using data from Commonwealth HR Data System (source TBD). Step 2: If applicable, enter employee data. Step 3: Employee profile information updated in the Commonwealth HR Data System (source TBD) is transmitted automatically to the Time and Attendance component of the ERP solution.
1.2.3	Create and Maintain Time and Attendance Agency-Specific Profiles	Time and attendance agency-specific profiles are defined and maintained as updates are applied as necessary.	Step 1: Create or capture automatically agency-specific profile information (e.g. rates, location, etc). Step 2: Update and disable time and attendance agency-specific profile.
1.2.4	Link Time and Attendance Profile to Schedule	Time and attendance employee and agency-specific (excluding contractors and sub-contractors) profiles are linked to an established schedule.	Step 1: Assign the time and attendance employee profile or time and attendance agency-specific profile to a defined schedule with the exclusion of contractors and sub-contractors. Step 2: Assign chart of account fields to the default timesheet.
1.2.5	Generate Reports	The process of generating real-time and periodic reports ensuring visibility in the processes relating to the time and attendance profile definition and scheduling.	Step 1: Select the report to be generated. Step 2: Enter specific criteria related to the report (e.g. data fields, views, date ranges). Step 3: View, print, or extract the report.

6.3 Employee Leave Administration and Management

Exhibit 6-3 – FM09 TALL – Employee Leave Administration and Management



FM09-1.3 – Process Thread Description – Employee Leave Administration and Management	
Process Description:	Employee Leave Administration and Management is the process of defining and managing leave programs as defined by DHRM, and maintaining the appropriate levels of control in the creation, approval, denial, and processing of leave taken by the employee.

FM09-1.3 – Process Thread Description – Employee Leave Administration and Management	
Improvement Opportunities:	• Using defined automated workflow for leave request and approval, notify management of leave requests awaiting evaluation and inform employees of leave requests that are approved and denied. • Flexibility to define various types of leave. • Establish base leave record and leave management components. • Provide self-service functionality for employees to allow them to create, edit, and submit leave request and view leave balances. • Reduce the number of invalid leave submissions as a result of employees having real-time access to current leave balances. • Provide an opportunity to differentiate between leave effective dates and transaction dates when leave requests are submitted before or after a specified pay period. • Improve overall administration of leave – the usage, monitoring, maintenance and reporting processes. • Track leave progression and expiration. • Leave balances are transferable between agencies. • Standardization of leave policies across the Commonwealth. • Increase ability to make effective resource decisions and detect leave usage patterns. • Ability to automate end of year rules for leave entitlements (e.g. carryover, eliminations). • Track FMLA usage in the Time and Attendance component of the ERP solution where the overall balance is maintained. • Employee absence rating built into managerial appraisal process. • Allow one or more approvals at different levels of the organization (e.g. supervisor, group of supervisors, designee, HR). • Provide the ability to integrate leave transactions with time capture, cost accounting and financial management.

<table>
<tr><th colspan="2">FM09-1.3 – Process Thread Description – Employee Leave Administration and Management</th></tr>
<tr><td>Legal/Policy Reform Impacts:</td><td>
<u>Legal</u>
None identified.
<u>Policy</u>

The implementation of Universal Leave also known as Paid Time Off (PTO), would combine some current leave types into one general leave account with the exclusion of special pay, worker’s comp, leave without pay, and other special leave types. Employees would not be able to carryover earned universal leave from year to year. As a result, employees would have the option of buying and selling leave to the employer. Currently a report has been developed, but lack of legislative input halted progress forward. If this policy moves forward, a major component of its implementation will be education in order to promote the advantages of the program and assist employees in making leave selections. A more in-depth analysis needs to be performed to evaluate the tangible and intangible effects (e.g. striking a balance between increased costs and decreased employee morale) of this policy.

Advantages

Having one general leave account will reduce the financial liability for agencies when the employee retires or separates from the Commonwealth.
The implementation of a single leave earning type with limited rules will require less management and manual intervention.
Ability to buy and sell leave is perceived as advantageous.
Remove requirement to explain absence.
Remove limitation of 33 1/3% of sick as identified by FMLA.
Reduce the number of employees who misuse leave.
Allow flexibility for employees to use leave as needed.
Use general leave account as a new recruitment strategy for the next generation of Commonwealth employees.

Disadvantages

Universal leave does not replace all leave types.
Existing leave programs will not be replaced and results in more leave programs to manage.
Leave plan promotes leave usage because they cannot carry over leave from year to year.
Unable to identify how FMLA will be captured on the general leave account.
Employees may perceive Universal Leave as if leave is being taken away or as if the Commonwealth does not care about initiatives (e.g. community service).
Agencies need to have the necessary funds to accommodate the cost of buying employee leave.

Implement a point based occurrence and perfect attendance recognition policy to encourage good attendance.
Standardize leave policies for the Commonwealth in accordance to DHRM policies and procedures. The application of policies at a statewide level will mitigate the risk of non-compliance, abuse, and the maintenance burden associated with defining leave policies at the agency level.

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FM09-1.3 – Process Thread Description – Employee Leave Administration and Management	

Legal/Policy Reform Impacts:	• Change the leave sharing/donating leave policy to include:
	1) The revised policy will allow for sick leave to be donated in addition to annual leave.
	2) The revised policy will allow employees to use donated leave for holidays.
	3) The revised policy will allow for the establishment of a leave bank in which employees can donate leave to a central bank as opposed to a particular employee.
	4) The revised policy will allow the inclusion of the Virginia Sickness and Disability Program (VSDP).
	  • Advantages
	    ▪ Employees usually have more sick leave than annual leave balances available.
	  • Disadvantages
	    ▪ The leave sharing policy applies to a retiring population (currently 35% of the Commonwealth employees are on old sick leave program and this number will continue to decrease over time).
	    ▪ Revisions to the leave sharing/donating leave policy will increase the expense to the Commonwealth.

Organization/People Impacts:	<u>Training</u> • The distribution of employee self-service functionality for leave submission and approval will require training and communication across agencies. Additionally, standardizing and automating the leave administration process will eliminate some of the manual steps employees are currently performing. • Retraining of staff may require new job descriptions. <u>Policy and Procedures</u> • The implementation of new policies and procedures as well as the standardization of processes will require education and communication across agencies. • Procedures and managerial enforcement must be in place to facilitate prompt leave capture and approvals.
Assumptions:	• The CIPPS-Leave subsystem will continue to function for out-of-scope agencies. • Leave data in CIPPS-Leave for in-scope agencies will be converted to the Time and Attendance component of the ERP solution. • Leave data in an external leave system for in-scope agencies will be converted to the Time and Attendance component of the ERP solution. • Security measures will be implemented to limit functionality in accordance to the roles designated within the agency. • Users will have direct access to the system or will leverage a Timekeeper to input data into the system. Any information captured by the Timekeeper should be communicated to the Employee. • The future state needs to support an employee assigned to multiple leave plans. For example, an agency head might be assigned to the Executive Leave Program (provides up front annual leave) and to the VSDP Program.

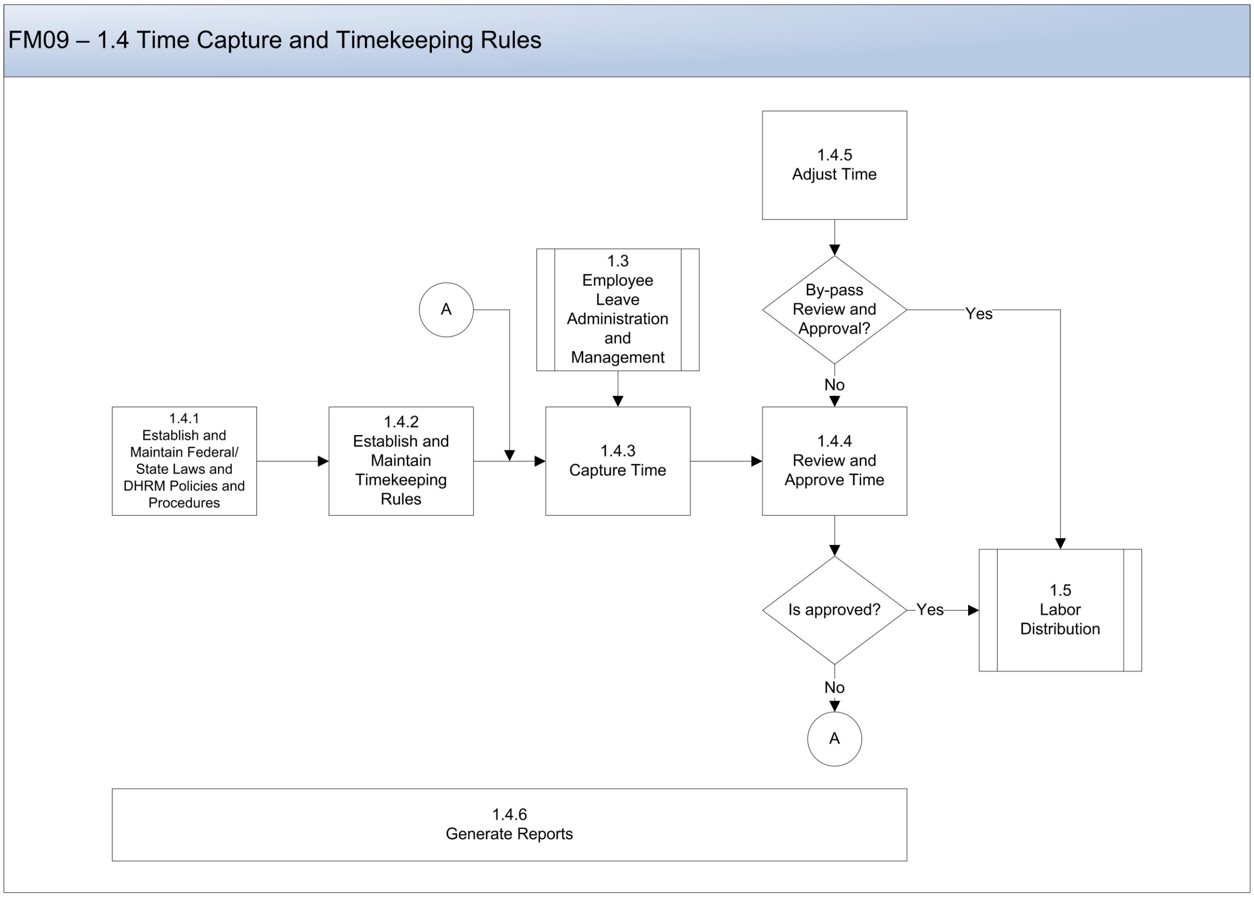
FM09-1.3 – Process Thread Description – Employee Leave Administration and Management	
Access Methods:	Possible access methods include: • Web browser • Kiosk • PDA • Time clock • Badge reader / card swipe • Telephone • Biometrics (e.g. palm or thumb reader)
System Interfaces:	• Employee Information Viewer (Payline) – Leave Info Out • Disability Program System (Unum) – Case Info In • Worker's Comp System (MCI) – Case Info In • Imaging System(IBM FileNet) – Imaged Documents In

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.3.1	Establish and Maintain Federal/ State Laws and DHRM Policies and Procedures	Laws and regulations are established for the Commonwealth to adhere to and enforce at the agency level and maintain consistency at the statewide level.	Step 1a: DHRM establishes policies and procedures related to leave administration and management in accordance with federal and state regulations. Step 1b: DHRM reviews, approves and establishes agency unique policies and procedures. Step 2: DHRM updates policies and procedures as required. Step 3: Agencies adhere to DHRM policies and procedures and federal/state laws.
1.3.2	Establish and Maintain Leave Rules	The establishment and maintenance of leave types and associated rules that is dictated by DHRM policies and procedures.	Step 1: Authorized users set up leave types and rules in the system. Step 2: Authorized users update leave types and rules as required (e.g. when policies and procedures or laws change).
1.3.3	Establish and Maintain Employee Leave Balance	The establishment of new leave year balances and the maintenance of balances by accruing, earning, and tracking hours taken each pay period. Additionally, this process includes the transferring of balances when an employee moves to another agency or between employees enrolled in the leave sharing program.	Step 1: Define and update leave balances automatically according to enrolled plans. Step 2: Modify leave balances automatically based on adjustments to service dates. Step 3: Transfer balances when an employee moves from one agency to another. Step 4: Reset yearly leave balances automatically.
1.3.4	Capture Employee Leave Usage	The process of employees and supervisors creating and maintaining leave requests and accurately reflecting leave balances.	Step 1a: The Employee or Timekeeper views leave balances, completes leave request, and submits it to the approver. Step 1b: The Employee or Timekeeper updates the leave request while the request is pending approval. Step 1c: Use Leave requested dates to determine if balances were available at the time for back-dated leave requests. Step 1d: The Approver completes and approves the leave request and Triggers a notification to the Employee via workflow. Step 2: The Employee or Timekeeper receives notification of the leave request approval or denial. Step 3: The Employee or Timekeeper cancels an approved leave request and Triggers a notification to the Approver via workflow.

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.3.5	Evaluate Leave for Approval	The Approver receives employee leave requests and takes appropriate actions.	Step 1: The Approver receives an alert that a leave request is pending approval. Step 2: The Approver reviews the employee's leave request. Step 3a: If the leave request is approved and dated less than or equal to the current date, then leave taken is automatically reported on the open timesheet, balances are updated real-time and a notification is sent to the Employee via workflow. Step 3b: If the leave request is approved and future dated, then the leave taken is not reported on the timesheet until the system date coincides with the date on the leave request but a notification is sent to the Employee via workflow. Step 3c: Notify the Approver to cancel the future dated approved leave request if the employee balance is exhausted before the leave request is reported to the timesheet. Step 4: The approval is overwritten by authorized HR Staff due to insufficient supporting documentation submitted, if applicable. Step 5: If the leave request is denied, the Employee or the Timekeeper is notified via workflow.
1.3.6	Adjust Leave	The process of adjusting leave after the leave has been decremented from the employee's leave balance.	Step 1a: The original leave request is cancelled and the Employee or Timekeeper is notified via workflow. Step 1b: Cancelled leave posts to the original timesheet and balances are retroactively adjusted.
1.3.7	Generate Reports	The process of generating real-time and periodic reports ensuring visibility in the processes relating to leave administration and management.	Step 1: Select the report to be generated. Step 2: Enter specific criteria related to the report (e.g. data fields, views, date ranges). Step 3: View, print, or extract the report.

6.4 Time Capture and Timekeeping Rules

Exhibit 6-4 – FM09 TALL – Time Capture and Timekeeping Rules



FM09-1.4 – Process Thread Description – Time Capture and Timekeeping Rules	
Process Description:	Time Capture and Timekeeping Rules is the process of defining timekeeping rules, administering usage of time captured based on defined time and attendance employee and agency-specific (e.g. equipment, inmate, contractor, sub-contractor, temporary staff, volunteer, student, and intern) profiles, performing adjustments, and removing time captured for inactivated time and attendance profiles.

FM09-1.4 – Process Thread Description – Time Capture and Timekeeping Rules	
Improvement Opportunities:	• Provide single point of entry for time capture. • Provide the ability to report employee time worked and leave taken. • Utilize employee schedules to facilitate exception reporting (e.g. excessive tardiness, overtime, leave, compensation earned). • Provide different methods of time collection enhancing the time capturing process. A web based system will allow users to access the application from various locations. • Provide the ability to associate time worked to the defined chart of accounts field values. • Require temporary employees to submit time into the Time and Attendance component of the ERP solution to eliminate hour reconciliations and pay only for the hours submitted and approved in the system. • Provide self-service functionality which will allow some employees to enter time directly and others to more effectively validate default timesheets. • Increased accountability by having employees complete and validate their timesheets. • Establish more control into the time-to-pay process by preventing the field from entering all prior period adjustments that are greater than two pay periods. • Provide automated workflow for time captured allowing approvers to validate employees' time before submission to payroll. • Allow for auto-approval of timesheets when applicable. • Minimize data entry error by using prompts and validation edits at entry point. • Provide accurate history and an audit trail of employee timekeeping. • Gain timeliness and efficiency of time capture using workflow and standardized rules processing at the statewide level. • Allow retroactive adjustments of non-financially impacting fields to more accurately reflect previous pay periods values. • Adjust time capture based on changes to distributed labor. • Have the system calculate overtime based on start/stop times and prevent Employee and Timekeepers from self-reporting tardiness. • Transmit automated notifications to managers identifying employees with unapproved time. • Increase Supervisor/Manager responsibility for the accuracy and completeness of the time captured in an effort to reduce the number of adjustments related to incorrect time data. • Ability to review the number of unapproved timesheets and send alert prior to closing the pay period. • Utilize exception-based time collection for exempt employees when the organization does not have labor tracking distribution requirements. • Supervisors approve all time charged to their department, regardless of "home" department of employee. • Collect data using biometric data collection device to eliminate "buddy/punching" and improve employee verification. • Time card approval process is automated and provided for reviewing timecards based on exception parameters. • Implement a statewide scorecard available on an internal payroll web page showing department compliance with time card approvals.

<table>
<tr><th colspan="2">FM09-1.4 – Process Thread Description – Time Capture and Timekeeping Rules</th></tr>
<tr><td>Legal/Policy Reform Impacts:</td><td>
<u>Legal</u>
None identified.
<u>Policy</u>

Propose a policy reform relating to the standardization of statewide payroll processing from semi-monthly to bi-weekly. For more detail about this proposed policy reform, refer to Section 6.1 Configuration Management.
Implement a data collection policy for salaried non-exempt employees that requires start/stop time recording.
Standardize work and overtime rules for the Commonwealth in accordance to those defined by the Department of Labor. The standardization of work and overtime rules at the statewide level will mitigate the risk of non-compliance, abuse, and the maintenance burden associated with defining work and overtime rules at the agency level.
Establish and enforce policies to ensure time is captured and validated in an efficient manner to avoid potential risks associated with retroactive processing. Potential risks associated to retroactive processing include closed projects, closed accounting periods, or closed fiscal years.
Develop overtime equalization policies to promote equal distribution of overtime opportunities.
Establish policies to implement an automated timesheet approval process that eliminates the necessity of supervisor or manager approval unless an exception occurs. If such policy is endorsed, a decision criteria would need to be developed to determine the handling of overtime and excused absences.

Advantages
Timesheets with no exceptions are automatically approved allowing supervisors or managers responsible for large groups of employees to focus on the exception of timesheets.
Disadvantages
Time that is incorrect but within the exception parameters may erroneously be approved and processed.

</td></tr>
<tr><td>Organization/People Impacts:</td><td>
<u>Training</u>

Standardization of time collection will require communication and training across agencies. A training program needs to be dynamic because the current user population is diverse. Some agencies have internal time and attendance systems and are therefore familiar with this process. Other agencies do not capture time in a time and attendance system. Education and training will be especially important for agencies whose employees are currently not reporting and submitting their time.
The distribution of employee self-service capabilities will require training and communication across agencies.
Retraining of staff may require new job descriptions.

<u>Policy and Procedures</u>

The implementation of new policies and procedures as well as the standardization of processes will require education and communication across agencies.

</td></tr>
</table>

FM09-1.4 – Process Thread Description – Time Capture and Timekeeping Rules	
Assumptions:	• All users have access to the system with appropriate security measures in place. • The chart of accounts defines the level of detail time can be captured. • Time and Attendance will have the capability to track work hours at various levels of detail to accommodate Performance Budgeting. For example, one agency may track time by fund/agency/cost center/service area and another agency may track time by fund/agency/cost center/service area/activity. • Accounts Receivable will be able to create bills based on agency-specific time captured. Accounts Receivable needs information transmitted to contain all calculations and be sent in the appropriate format. If the entry has a project, then Cost Accounting would have the information necessary to complete the calculations for the bill. Alternatively, if the time captured does not have a project, then Time and Attendance would transmit the hours, rate, total dollars and agency to Accounts Receivable in order to create the bill. • Accounts Payable will be able to create payments based on agency-specific time captured. The information transmitted from Time and Attendance will contain all calculations and account coding, and will be sent in the appropriate format.
Access Methods:	Possible access methods include: • Web browser • Kiosk • PDA • Time clock • Badge reader / card swipe • Telephone • Biometrics (e.g. palm or thumb reader)
System Interfaces:	• Agency System (AEC) – Employee Time In • COVA Payroll System (CIPPS) – Hours Out • Imaging System (IBM FileNet) – Imaged Documents In

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.4.1	Establish and Maintain Federal/State Laws and DHRM Policies and Procedures	Laws and regulations are established for the Commonwealth to adhere to and enforce at the agency level and maintain consistency at the statewide level.	Step 1a: DHRM establishes policies and procedures related to timekeeping and in accordance with the Department of Labor regulations. Step 1b: DHRM reviews, approves, and establishes agency unique policies and procedures. Step 2: DHRM updates policies and procedures as required. Step 3: Agencies adhere to DHRM policies and procedures, and the Department of Labor regulations.
1.4.2	Establish and Maintain Timekeeping Rules	The establishment and maintenance of timekeeping rules based on DHRM policies and procedures, and Department of Labor regulations.	Step 1: Authorized users set up timekeeping rules in the system. Step 2: Authorized users update timekeeping rules as required.

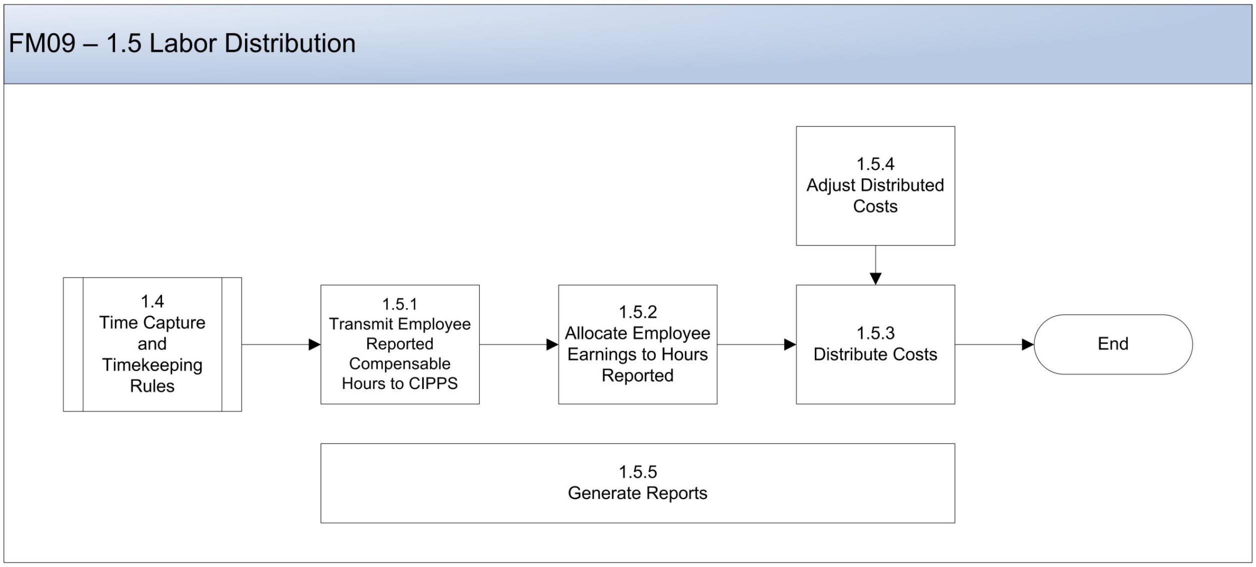
Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.4.3	Capture Time	The process of capturing employee time worked including regular time, overtime, compensatory time, leave taken, and agency-specific time in a centralized location.	Step 1: The Employee or Timekeeper enters time worked for the current pay period or verifies and modifies the default timesheet. Step 2: If applicable, an authorized user enters agency-specific time captures. Step 3: The approved leave requests automatically post to the employee's timesheet. Step 4: The Employee or Timekeeper saves the timesheet. Step 5: The Employee or Timekeeper submits the timesheet to the Approver by a specified time (e.g. at the end of the pay period, work week, etc).
1.4.4	Review and Approve Time	The mechanism used to confirm the employee's time is accurately reflected prior to payroll submission. The timesheets are submitted by Employees or Timekeepers to designated Approvers for review (based on the defined organizational hierarchy).	Step 1: The Approver receives the timesheet from Employee or Timekeeper. Step 2a: The Approver reviews the timesheet and makes any changes, if applicable. Step 2b: Trigger a notification to the Employee or Timekeeper if changes are made to the timesheet. Step 3a: The Approver rejects or approves the timesheet. Step 3b: If the timesheet is rejected, then a notification is sent to the Employee or Timekeeper requesting updates be applied. Return to Step 1.4.3. Step 4: If applicable, additional Approvers receive, review, and approve the timesheet. Step 5a: At a specified time, alerts are sent to designated users displaying all the timesheets that are not submitted or awaiting approval. Step 5b: Authorized users take action against the timesheets not submitted or awaiting approval (e.g. directly follow-up with the Employee or Approver via email or phone).

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.4.5	Adjust Time	The process of capturing adjustments in different stages of the timesheet data processing cycle and mitigating retroactive complexities.	**Scenario A: Adjustments are applied to the timesheet before sending employee reported compensable hours to the CIPPS payroll system.** Step 1: The Employee or Timekeeper cancels the submitted timesheet that is pending approval, if applicable. Step 2a: The Employee or Timekeeper updates any field on the timesheet. Validation edits are performed specific to the date entered that is within the limits of the current pay period. Step 2b: The Employee or Timekeeper adds or updates time associated to prior pay periods with the ability to reverse prior transactions. Validation edits are performed specific to the date entered that is within the limits of prior pay periods. Step 3: The Employee or Timekeeper saves the timesheet and triggers an automatic notification via workflow to the Approver. **Scenario B: Adjustments to non-financial fields on the timesheet with the exclusion of hours are applied after the employee reported compensable hours have been sent to CIPPS, but before labor costs have been distributed.** Step 1: The Employee or Timekeeper applies changes to non-financial fields (with the exclusion of hours). Step 2: The Employee or Timekeeper saves the timesheet and triggers an automatic notification via workflow to both the Employee and the Approver. **Scenario C: Adjustments to non-financial fields on the timesheet with the exclusion of hours are applied after labor costs have been distributed.** Step 1: The user applies changes to non-financial fields (with the exclusion of hours) on the timesheet and triggers the propagation of changes to the distributed labor costs. Step 2: The user saves the timesheet and triggers an automatic notification via workflow to both the Employee and the Approver.

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
			Scenario D: Adjustments to the financial fields on the timesheet without user intervention will be allowed if after labor costs have been distributed due to failures during budget checking validation. Step 1: Authorized user applies changes to distributed labor. Chart of account changes are propagated to the timesheet and timesheet undergoes validation edits. Step 2: Authorized user saves changes and triggers an automatic notification via workflow to both the Employee and Approver.
1.4.6	Generate Reports	The process of generating real-time and periodic reports ensuring visibility in the processes relating to time capture.	Step 1: Select the report to be generated. Step 2: Enter specific criteria related to the report (e.g. data fields, views, date ranges). Step 3: View, print, or extract the report.

6.5 Labor Distribution

Exhibit 6-5 – FM09 TALL – Labor Distribution



FM09-1.5 – Process Thread Description – Labor Distribution	
Process Description:	Labor Distribution is the process of capturing labor costs, reporting to financials, and tracking project costing and grant reporting.
Improvement Opportunities:	• Integrate with financial components of the Enterprise Resource Planning solution, such as General Accounting, Cost Accounting, Accounts Payable, and Accounts Receivable. • Automate accounting for labor costs against projects and activities. • Allow cost allocation for federal grant reporting. • Capture time and costs at the project/activity level. • Capture time and costs consistently at the same level of detail in accordance to the chart of account definition thereby enhancing reporting and standardizing data interpretation for the Commonwealth. • Eliminate duplicative processes performed throughout the Commonwealth. • Increase efficiency and accuracy of employee time submitted to payroll. • Increase level of detail on the time captured. • Reduce manual keying and double keying into CIPPS. • Allow the processing of multiple charges with varying rates on the timesheet. • Mass update chart of accounts on distributed labor failing budget checking that is not authorized to by-pass the budget checking routine. • The reconciliation of data at key points in the distribution of labor costs will reduce dollars inaccurately reported and facilitate in identifying the reason for the variance. • Provide methods of classifying when fringe allocation should or shouldn’t be applied against special pay (e.g. bonus pay). • The elimination of complex payroll direct and fringe cost allocations in the general ledger. • Ensure timely and accurate updates as a result of using the same ERP system for HR, payroll and financials or automated interfaces. • Perform centralized function activities for the processing of timesheets.

FM09-1.5 – Process Thread Description – Labor Distribution	
Legal/Policy Reform Impacts:	Legal • None identified. Policy • Establish and enforce policies to define limits as to how much time will be permitted to perform changes that have a financial impact on the agency.
Organization/People Impacts:	Training • The identification of variances during the reconciliation process and correction steps will require training and communication across agencies directly involved in the distribution of labor. Policy and Procedures • The implementation of new policies and procedures as well as the standardization of processes will require education and communication across agencies. • Procedures and managerial enforcement and support must be in place to facilitate prompt processing of time captured. • Procedures providing guidelines and validation steps to chart of accounts changes following labor distribution need to be identified and provided to aid the user community.
Assumptions:	• Permit a limited number of users with authorization and access to change chart of account information after the distribution of labor in order to successfully pass budget checking routines before posting summary data to General Accounting. • If chart of account information is changed after the distribution of labor, then any changes applied to the distributed labor will be propagated to the time capture component and will undergo validation edits. • Reconciliation between Time and Attendance and General Accounting will occur after the distributed labor has been captured. Variances will be identified to the employee level. • Reconciliation of earnings loaded in Time and Attendance against the CIPPS expensed payroll costs reported directly by CIPPS to General Accounting needs to occur before allocating the employee labor costs. • Reconciliation must be performed to identify variances between the earnings received and the labor failing to be allocated within the Time and Attendance component of the ERP solution. • Allocations of indirect cost (leave/fringe/administrative) will be performed at the employee or summary level after the labor has been distributed in the Time and Attendance component of the ERP solution.
Access Methods:	Possible access methods include: • Web browser
System Interfaces:	• COVA Payroll System (CIPPS) – Hours Out • COVA Payroll System (CIPPS) – Earnings In • VITA Employee System (CPIR) – Employee Leave and Time Captured Out • Agency Sub-System(WPS) – Hours Out • Agency Sub-System(EMS) – Hours and Meter Info Out • Agency System – Employee Time Out

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.5.1	Transmit Employee Reported Compensable Hours to CIPPS	The process of transmitting compensable hours (time and leave) to CIPPS for payroll processing.	Step 1: Send compensable hours to the CIPPS payroll system through a batch process. Step 2: Time and attendance transactions are used to generate earnings data in CIPPS. Step 3: Agency certifies payroll.
1.5.2	Allocate Employee Earnings to Hours Reported	Payroll earnings are received from CIPPS and allocated against the employee hours captured.	Step 1: The CIPPS payroll system sends an expanded current earnings (ECE) file. Step 2a: The Time and Attendance component of the ERP solution receives the ECE file, imports earnings data, and inserts funds into a deferred account. Step 2b: Reconcile between the CIPPS expensed payroll costs and the time and attendance earnings data before allocating employee labor. Step 3: Capture special pays and assign an appropriate distribution. Step 4: Allocate earnings based on hours reported.

Process Details			
ID	**Step**	**Description**	**Detailed Steps**
1.5.3	Distribute Costs	Costs are distributed and charged to projects and activities as they are defined in the chart of accounts.	Step 1a: Back out funds stored in the deferred account. Step 1b: Reconcile between the earnings received from CIPPS and the allocated labor within the Time and Attendance component of the ERP solution. Report variances to the employee level. Step 2: Allocate indirect costs such as leave, fringe, and administrative charges at the employee or summary level and base the allocations on the hours worked and the distributed dollars. Step 3a: Associate a dollar value to the agency-specific time based on the hours captured on the timesheet and a rate value assigned on the time and attendance profile. Step 3b: Transmit agency-specific account and relevant summary information to Accounts Payable for payment, as applicable. Step 3c: Transmit agency-specific account and relevant summary information to Accounts Receivable. Alternatively, include project information in the transaction so that Cost Accounting can identify billing, as applicable. Step 3d: Transmit agency-specific reportable effort data to an external system, as applicable. Step 4a: Identify at the agency level the option to by-pass budget checking controls. Step 4b: Adjust chart of accounts on the distributed employee labor not yet posted to General Accounting, so that the budget-checking routine can be passed successfully, if applicable. Step 4c: If the chart of account information is changed, then any changes applied to the distributed labor not yet posted to General Accounting are propagated to the timesheet and undergo validation edits. Step 5: Report realized employee labor costs captured to General Accounting.

1.5.4	Adjust Distributed Costs	The process of applying retroactive changes to distributed costs and propagating the updated values from General Accounting to Time and Attendance or vise versa.	**<u>Scenarios below relate to adjustments to the distributed costs that do not impact the dollar cost.</u>** **Scenario A- The accounting period is open and the chart of account field values are valid, requires the following step be performed:** Step 1: Negate the original entry, create an adjusting entry, propagate the changes, and reset the flags in pertinent tables so that cost accounting can re-process the information and recognize the realized costs accurately. **Scenario B- The accounting period is closed and the chart of account field values are valid, requires the following step be performed:** Step 1: Negate the original entry, create an adjusting entry, propagate the changes, and reset the flags in pertinent tables so that Cost Accounting can re-process the information and recognize the realized costs accurately in the current period. **Scenario C- The accounting period is open and the chart of account field values are NOT valid, requires the following steps be performed:** Step 1: Chart of account field values are evaluated manually and projects, cost centers, etc are re-opened. Step 2: Negate the original entry, create an adjusting entry, propagate the changes, and reset the flags in the pertinent tables so that Cost Accounting can re-process the information and recognize the realized costs accurately. Step 3: Close projects, cost centers, etc. after Cost Accounting has re-processed the information and recognized the realized costs accurately.

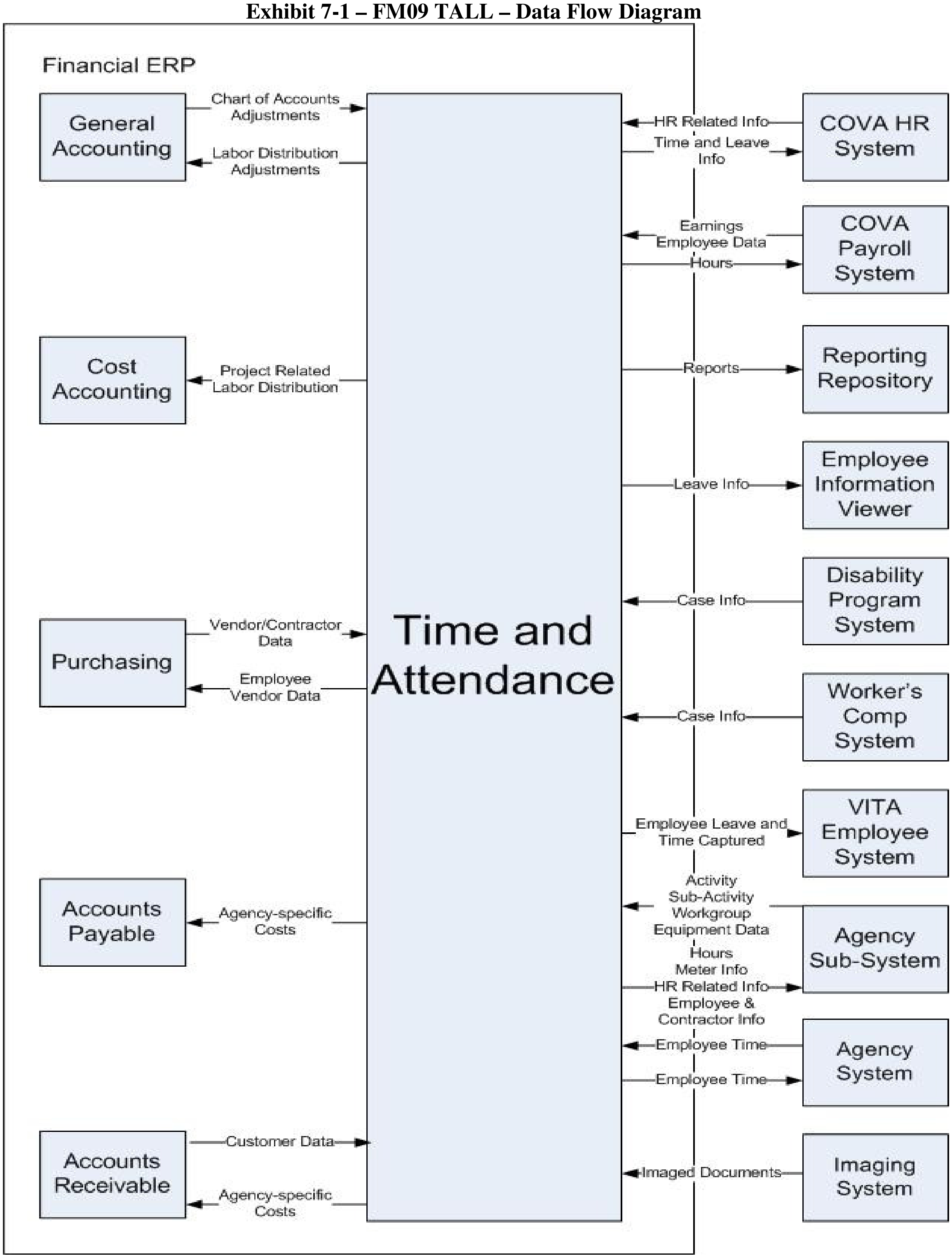
			Scenario D- The accounting period is closed and the chart of account field values are NOT valid, requires the following steps be performed: Step 1: Chart of account field values are evaluated manually and projects, cost centers, etc. are re-opened. Step 2: Negate the original entry, create an adjusting entry, propagate the changes, and reset the flags in the pertinent tables so that Cost Accounting can re-process the information and recognize the realized costs accurately in the current period. Step 3: Close projects, cost centers, etc. after Cost Accounting has re-processed the information and recognized the realized costs accurately. **<u>Scenarios below relate to adjustments to the distributed costs that impact the dollar cost.</u>** **Scenario A- The accounting period is open or closed and the charts of account field values are valid, requires the following steps be performed:** (Either Step 1a or Step 1b is selected). Step 1a: The user applies the changes on the open timesheet to recognize the dollar cost when allocating the timesheets. Any adjustments applied on the original timesheet entry triggers a reversal and an adjustment entry in the current period. Step 1b: Create a journal entry for the current period in General Accounting but will loose the link to the original timesheet entered.

			Scenario B- The accounting period is open or closed and the chart of account field values are NOT valid, requires the following steps be performed: Step 1: Chart of account field values are evaluated manually and projects, cost centers, etc. are re-opened. (Either Step 2a or Step 2b is selected). Step 2a: The user applies the changes on the open timesheet to recognize the dollar cost when allocating the timesheets. Any adjustments applied on the original timesheet entry triggers a reversal and adjustment entry in the current period. Step 2b: Create a journal entry for the current period in General Accounting but will loose the link to the original timesheet entered. Step 3: Close projects, cost centers, etc. after Cost Accounting has re-processed the information and recognized the realized costs accurately.
1.5.5	Generate Reports	The process of generating real-time and periodic reports ensuring visibility in the processes relating to labor distribution activities.	Step 1: Select the report to be generated. Step 2: Enter specific criteria related to the report (e.g. data fields, views, date ranges). Step 3: View, print, or extract the report.

7. Data Flow Details

This section details the flows of data both in and out of the business process and will assist in identifying the new system's impact to existing systems and processes.

Exhibit 7-1 – FM09 TALL – Data Flow Diagram



Data Flow Details			
Entity	**Flow**	**Data Name**	**Description**
COVA HR System	In	HR Related Info	HR related data (such as employee demographic information and position information) is sent from the COVA HR System, PMIS, to populate time and attendance employee profiles. In addition, DGS' system, ISAS, sends employee data to populate time and attendance employee profiles.
COVA Payroll System	In	Earnings	Earnings and other related costs as defined on the Expanded Current Earnings (ECE) file are sent from the COVA Payroll System, CIPPS, for labor distribution processing.
COVA Payroll System	In	Employee Data	Employee data is sent from the COVA Payroll System, CIPPS, to populate time and attendance employee profiles.
Disability Program System	In	Case Info	The Virginia Retirement System (VRS) administers the Commonwealth's Disability Program System, the Virginia Sickness and Disability Program (VSDP), in conjunction with DHRM and Unum, a third-party vendor that specializes in disability claims management. Information is sent to identify employees eligible to report VSDP leave.
Worker's Comp System	In	Case Info	DHRM administers the Worker's Comp System in conjunction with Managed Care Innovations (MCI), a third-party vendor. Information about worker's comp cases is sent to identify employees eligible to report worker's comp time.
Agency Sub-System	In	Activity	Workload activity related information for time and attendance profiles is sent from a Workload Planning System (WPS).
Agency Sub-System	In	Sub-Activity	Workload sub-activity related information for time and attendance profiles is sent from a Workload Planning System (WPS).
Agency Sub-System	In	Workgroup	Workload workgroup related information for time and attendance profiles is sent from a Workload Planning System (WPS).
Agency Sub-System	In	Equipment Data	Equipment related information for time and attendance profiles (e.g. equipment and work orders) is sent from an Equipment Management System (EMS).
Agency System	In	Employee Time	Employee related information such as hours worked and leave taken reported on a timesheet for a given pay period are sent from an Agency System.
Imaging System	In	Imaged Documents	Imaged documents for time and attendance profiles, leave and timesheets are sent from an Imaging system.
COVA HR System	Out	Time and Leave Info	Time and leave information (e.g. leave without pay) is sent to the COVA HR System, PMIS.
COVA Payroll System	Out	Hours	Hours reported are sent to the COVA Payroll System, CIPPS, for processing.
Reporting Repository	Out	Reports	Reports are sent to and stored in various reporting repositories. Examples of COVA report storage systems include DOA's Mantissa, Reportline, and Financial Information Downloading System (FINDS).

Data Flow Details			
Entity	**Flow**	**Data Name**	**Description**
Employee Information Viewer	Out	Leave Info	Leave information is sent to an Employee Information Viewer such as DOA's Payline, a web-based system that allows employees to view and print personal earnings, leave, and benefits information as of any payday.
VITA Employee System	Out	Employee Leave and Time Captured	Employee leave and time captured information is sent to the VITA Employee System, CPIR. CPIR is a web-based reporting repository that is fed by PMIS, CIPPS and PAA (VITA's HR system). CPIR consolidates the data to create a full report (all HR data) on individuals, or generate summary reports (either downloaded to Excel or viewed on-line). CPIR also shows all the data from each system for each individual record as a way of identifying any data discrepancies between the systems.
Agency Sub-System	Out	Hours	Workload related information such as hours worked and associated activities are sent to a Workload Planning System. Equipment related information such as hours worked using equipment is sent to an Equipment Management System.
Agency Sub-System	Out	Meter Info	Meter reading information from equipment based on agency-specific time capture is sent to an Equipment Management System.
Agency Sub-System	Out	HR Related Info	HR related data (such as employee demographic information and position information) is sent to Annual Budget Development System.
Agency Sub-System	Out	Employee & Contractor Info	Employee and Contractor Data is sent to Information Security Access System (ISAS).
Agency System	Out	Hours	Employee related information such as hours worked and leave taken reported on a timesheet for a given pay period are sent to an Agency System.

8. References

8.1 Information Sources

The documents that were used as references to the *Financial Management – TALL* business process are as follows:

- → Enterprise Business Architecture (EBA) Line of Business 439 Human Resource Management
- → Virginia Enterprise Applications Architecture (VEAA) Initiative Section 4
- → Due Diligence Deliverable Human Resource Management
    - o Human Resource Management Multiple Choice Responses
    - o Human Resource Management Selected Text Responses
    - o Human Resource Management Tower Summary
- → Other State Requirements from Ohio, Tennessee, and Iowa
- → The Hackett Group, a global strategic advisory firm providing insight, advice and best practice recommendations backed by performance metrics obtained through 14 years and 3,500 benchmark studies
- → Department of Transportation (VDOT) Financial Management System (FMS) Upgrade project requirements
- → Department of Accounts (DOA) Commonwealth Accounting Policies and Procedures (CAPP) Manual
- → Department of Human Resource Management (DHRM) Human Resource Management Manual
- → Department of Human Resource Management (DHRM) Human Resource Policy Manual

8.2 Definitions, Acronyms and Abbreviations

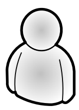
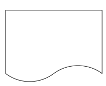
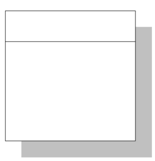
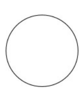
The terms defined for the *Financial Management – TALL* Future State Environment document are as follows:

Term	Definition
ADA	American Disability Act
Agency-Specific	Agency-specific can refer to equipment, inmates, contractors, sub-contractors, temporary staff, volunteers, students, interns, or others.
BES	Benefit Eligibility System
CAPP	Commonwealth Accounting Policies and Procedures
CARS	Commonwealth Accounting and Reporting System
CIPPS	Commonwealth Integrated Personnel and Payroll System
COTS	Commercial Off The Shelf
COVA	Commonwealth of Virginia
CPIR	Consolidated Personnel Information Repository
DCP	Division of Capitol Police

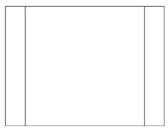
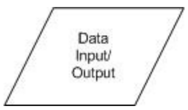
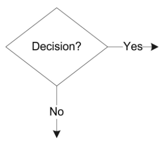
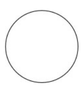
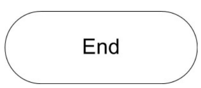
Term	Definition
Default Timesheet	A method of recording the amount of time spent on a job or task and automatically creating the timesheet each pay period without user intervention. A default timesheet is used for an employee whose time worked is generally the same every period (e.g. salaried employees). Based on time and attendance profile attributes and system rules, a default timesheet will be automatically created for an employee. A default timesheet will automatically adjust to account for approved leave requests.
DEM	Department of Emergency Management
DGS	Department of General Services
DHRM	Department of Human Resource Management
DLS	Division of Legislative Services
DOA	Department of Accounts
DOAV	Department of Aviation
DOC/CA	Department of Corrections (Central Administration)
DOF	Department of Forestry
DOL	Department of Labor
DPB	Department of Planning and Budget
EBA	Enterprise Business Architecture
ECE	Expanded Current Earnings
EEO	Equal Employment Opportunity
ERP	Enterprise Resource Planning
FICA	Federal Insurance Contributions Act
FINDS	Financial Information Downloading System
FLSA	Fair Labor Standards Act
FM	Financial Management
FMLA	Family and Medical Leave Act
FMS	Financial Management System
FOIA	Freedom of Information Act
GASB	Governmental Accounting Standards Board
HR	Human Resource
IFRIS	Integrated Forest Resource Information System
IPM	Integrated Project Management
MCI	Managed Care Innovations
Non-wage	An employee who receives a fixed salary. Non-wage employees are sometimes referred to as salaried employees.
OAG	Attorney General and Department of Law

Term	Definition
OSHA	Occupational Safety and Health Administration
PAT	Payroll Audit Tool
PDA	Personal Digital Assistant
PMIS	Personnel Management Information System
PTO	Paid Time Off
SCHEV	State Council of Higher Education for Virginia
Self-service	The process of empowering employees to update and maintain their own information in a paperless environment. The self-management of employees' transactions.
SESA	State Employment Security Agency
SME	Subject Matter Expert
SOW	Scope of Work
TALL	Time and Attendance, Labor Distribution, and Leave
TBD	To Be Determined
USERRA	Uniformed Services Employment and Reemployment Rights Act
VDOT	Department of Transportation
VEAA	Virginia Enterprise Applications Architecture
VEAP	Virginia Enterprise Applications Program
VEC	Virginia Employment Commission
VITA	Virginia Information Technologies Agency
VMFA	Virginia Museum of Fine Arts
VOSH	Virginia Occupational Safety and Health
VRS	Virginia Retirement System
VSDBS	Virginia School of the Deaf and Blind at Staunton
VSDP	Virginia Sickness and Disability Program
VWC	Virginia Workers' Compensation Commission
Wage	An employee who receives pay for hours worked rather than a fixed salary. Wage employees are sometimes referred to as hourly or P-14 employees.
Workflow	Workflow is the movement of documents and/or tasks through a business process. Workflow is the organization, routing and notification of a defined event via a paper or electronic document trail within the Commonwealth and across agencies. A workflow event does not necessarily require approval or action.
WPS	Workload Planning Structure

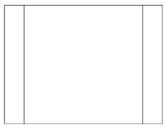
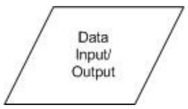
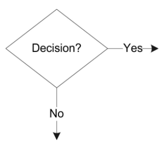
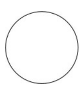
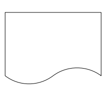
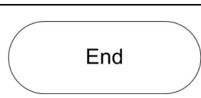
The definitions of the shapes used in the diagrams in Section 2 of the *Financial Management – TALL* Future State Environment document are as follows:

Diagram Shape	Definition
	Server symbol represents a server or feeder system transmitting data to or receiving from the main system.
	Main System represents mainframes or the future ERP solution.
	User/Manual interaction symbol.
	Paper document symbol.
	Application symbol
	Required function symbol.
	Optional function symbol.
	Use the group box symbol around multiple symbols to simplify and/or emphasize functions specific to a group i.e. in-scope/out-of-scope agencies.
	Connector symbol is used to avoid crossing of lines and maintain flow going from left to right.
	Agency symbol is used to represent internal/external agencies or organizations involved in the process. It is unknown at this time if a system exists.

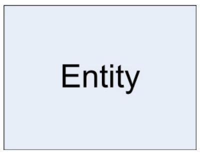
The definitions of the shapes used in the diagrams in Section 5 of the *Financial Management – TALL* Future State Environment document are as follows:

Diagram Shape	Definition
	Pre-defined Process symbol is used to represent the defined process threads.
	Data input/output symbol represents incoming or outgoing data.
	Decision symbol is used when the process requires a decision to proceed
	Directional Arrow symbol is used to reflect flow from one symbol to the next.
	Connector symbol is used to avoid crossing of lines and maintain flow going from left to right.
	End Symbol is used to end the process.

The definitions of the shapes used in the diagrams in Section 6 of the *Financial Management – TALL* Future State Environment document are as follows:

Diagram Shape	Definition
	Pre-defined Process symbol is used to represent the defined process threads.
	Data input/output symbol represents incoming or outgoing data.
	Process symbol is used to represent the process thread steps.
	Decision symbol is used when the process requires a decision to proceed
	Directional Arrow symbol is used to reflect flow from one symbol to the next.
	Connector symbol is used to avoid crossing of lines and maintain flow going from left to right.
	Paper document symbol.
	Manual Operation symbol.
	Direct Data updates symbol.
	End Symbol is used to end the process.

The definitions of the shapes used in the diagrams in Section 7 of the *Financial Management – TALL* Future State Environment document are as follows:

Diagram Shape	Definition
	Entity symbol outside of the ERP represent external system interfaces. Entity symbol inside of the ERP represent interaction between internal modules.
→	Directional Arrow symbol is used to reflect flow from one symbol to the next.

Appendix A – Product Requirements - Reference RFP Section 5